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FURTHER EASING OF PRICE LEVELS IS IN PROSPECT

But General Trend Will Not Be Far From Present Prices

BUSINESS HAMPERED

Refusal of Merchandising Concerns to Meet Buyers Half Way Lowers Volume of Sales

What will be the next price movement? Should business count on a continuation of present levels, higher levels or a protracted decline? Is the ten year price recession predicted in the States to be looked for here? If prices are moving upward, buyers are in error in not making their commitments now. If the reverse, then merchants and distributors are merely retarding recovery and handicapping their own business by refusing, as they have been doing, to allow prices to recede to the buying level.

It was stated recently in these columns that what has been known as the high cost of living had receded until it had become virtually a thing of the past. It was by no means inferred that prices have necessarily reached the bottom. That the abnormally high prices which reached a peak in 1918-21 have fallen very materially, none can deny. The peak has been cut off. Taking the country as a whole, what appears to be a new level has been reached. It was the abnormally high peak that gained the popular epithet of "the high cost of living." Concretely, prices had risen to 150 per cent. above the 1913 level. They have now receded to about 60 per cent. above. And they may easily recede farther, over a long period.

The price situation in Canada is affected by two sets of conditions—world price movements, and price factors at home. With regard to the first, there is a general downward movement in world prices, and it is predicted by leading authorities that a downward trend lasting for ten years or more may be expected in the United States, which country exerts the largest influence. Major price movements are international rather than national. A decline in one country cannot continue indefinitely in the face of a general rise elsewhere. High tariff walls may delay the movement from country to country, but only to the height of the tariff in question.

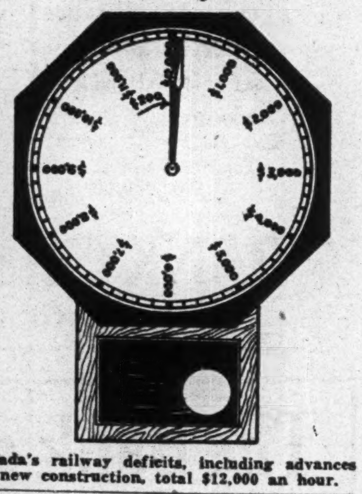
Domestic Price Factors Dominate

But the local situation is the more important one, and a brief resume of the background will help to determine what is to be expected next, in the way of price movements. Prior to the war more or less of a balance had been evolved, between buyer and seller, and business prospered. The same held true largely during the war, for incomes soared, and buying power generally kept pace with prices. Measured by the Bureau of Statistics' index of 236 commodities, prices had risen by 1917 to virtually 78 per cent. above the 1913 level, and war-padded incomes had kept pace. In 1918 prices were 100 per cent. higher, and in 1919, 109. After the armistice, income suddenly ceased to inflate and actually commenced to deflate. Prices kept on rising for at least a year, and in 1920 the peak was reached at about 150 per cent. above the 1913 level. The price balloon then commenced to deflate, but not soon enough to maintain the balance or adjustment that had existed with income. Taxes were accumulating and were taking an increasingly large toll of income. The maladjustment has continued virtually ever since. Although prices have reached to about 58 per cent. above those of 1913, and have struck a level, there is still a lack of balance between the two.

A new factor has entered the situation in the form of vastly increased buying power. It now seems safe to predict that this year's crop will add several hundred millions to last year's level of spending power. On how we use this additional buying power depends the next price movement, and the general state of business. For some time buyers have been refusing to buy at existing price levels, and sellers have doggedly refused to allow prices to recede to the buying level. Where material price cuts have been made, profits have been large, as evidenced by an analysis of the financial statements of some of the larger merchandising concerns. But the refusal of buyer and seller to come together has been the prime cause of what we called bad business during the past three years.

What is the conclusion to be drawn? While there are very many factors to be considered such as increase in population, degree of productiveness and so on, and while different conditions rule in different lines, a study of present prices in the light of past price movements indicates that present levels will be fairly well maintained with up and down fluctuations, but with the downward trend prevailing, over the next few years.

Our Railway Clock



Canada's railway deficits, including advances for new construction, total $12,000 an hour.

The Political Trend

OTTAWA HEARS BUSINESS WANTS EARLY ELECTION

Government Likely to Heed Demand and Bring on Voting

From Our Own Correspondent.

OTTAWA.—Political gossip here is now centring about the speech to be made by the prime minister at Richmond Hill on the 5th of next month. In his published statement the other day he declined to be drawn into an announcement of his intentions in regard to an election, but he followed this up closely by putting out the date of the coming deliverance. He is an adept in the use of many words without betraying his purpose, and there was little in his formal pronouncement except an advance notice of what he is going to say to his constituents next month.

Will he then make known the date of the election? That is the question that is agitating political circles. No one knows, perhaps he had not definitely decided himself. There are, however, certain outstanding considerations affecting the matter which are clear to all close observers. As Premier King himself said, his government can stay in office until January, 1927. There is then no need of an election this year. If he goes to the country now, it will be because he thinks the present a favorable moment to challenge public opinion. Now there have been three provincial elections recently, and two out of the three have gone against the Liberals. These facts suggest that the present is not favorable to Liberal chances. But the question is, will those chances be any more favorable a year from now? That is the knotty problem which Mr. King and his advisers have to decide. The political history of Canada does not indicate that it is a safe thing for a government to hang on to office until the last possible moment.

There have been many changes in opinion here as to the probability of an election this year, but the prevailing drift is still that an appeal is

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ASBESTOS COMMON DIVIDEND RAISED

1½% Quarterly Dividend Places Stock on 5% Basis

From Our Own Correspondent.

MONTREAL.—As exclusively forecast in The Financial Post two weeks ago, the Asbestos Corporation this week declared a dividend of 1½ per cent. on the common stock for the third quarter of the year. This follows closely on the hints which the management made from time to time about returning to a higher dividend rate.

Previous dividends declared this year total 2 per cent., so that with this present 1½ per cent. and another 1½ per cent. for the last quarter of the year, the stock will be on a 5 per cent. basis. A 2 per cent. disbursement was made by the directorate in the middle of February of this year, but this was on the earnings made in 1924.

In addition to being on this higher basis, it is confidently expected that due to the increased earnings of the company, a bonus of $1 per share—or possibly more—will be distributed at the close of this year. Should the common shareholders receive anything over 5 per cent. for the year, the preferred shareholders will participate in the distribution also, as these securities participate equally in the profits after the common pays 5 per cent.

Whalen Re-organization Plan Put Through at Meeting

MONTREAL.—The Whalen meeting was merely formal. It approved the re-organization plan of the circular of June 17. Holders of only $3,000 principal amounts dissented out of $3,985,000 principal amounts of bonds deposited under agreement. The Judicial sale will be held on August 31.

Who Now Owns the British American Nickel Mine? Mellon is Mentioned

One Suggestion is That United States Secretary of Treasury Bought it for His Government but This is Scoffed at — More Likely to be the International Nickel Company.

The purchaser of the assets of British-American Nickel Corporation should be known in a few days. The Financial Post has been promised a statement in that time from those acting for the new owner.

In the meantime, there has been a great deal of conjecture and many rumors about as to the identity of those who secured this $25,000,000 to $30,000,000 proposition for $5,000,000.

Anglo-Canadian Mining and Refining Corp. is the name of the concern to which the legal firm of Saunders, Kingsmill and Mills, who made the purchase, turned over the assets.

The question is: who are Anglo-Mining and Refining?

Rumors associate two groups with the purchase, International Nickel and Andrew Mellon interests of Pittsburg.

Did Mellon Buy It?

The talk about the Mellon interests is interesting. It mentions the possibility of the purchase having been made in the interests of United States, Mr. Mellon being secretary of the treasury in the Coolidge cabinet. International Nickel officials made the statement to The Post some time ago that they did not regard British-American ores as being of commercial grade. It took 40 tons of ore to make a ton of nickel matte, whereas Mond Nickel got a ton from half as much ore, and International a ton from 14 tons of ore. For this reason, it was intimated International Nickel was not to be regarded as a possible purchaser. On the other hand, it may be that International Nickel decided that if it could get the plant at its own price, it would be a cheap method of eliminating a possible competitor that might later find a better grade of ore.

The Post got in touch with interests formerly associated with the enterprise who voiced the opinion that International Nickel was the purchaser. They also said the deposits were very valuable. They thought that it was likely that the development of the property would be delayed by reason of the new ownership.

The Mellon interests, who are backing the Aluminum Company of Canada, which will erect large plants in Quebec, have been watching Canada closely, and it is definitely known that Mr. Mellon has discussed the future of British-American Nickel only recently. It is conceivable that if Mellon made the purchase for the United States, they would do so without regard to the commercial possibilities of the venture, but with the sole idea of having a reserve of nickel. Sudbury district produces 85 per cent. of the world's nickel. The balance comes from New Caledonia, an old French penal settlement in the Pacific. Nickel promises to be scarce and dear because of industrial developments. The possibilities of large reserves being purchased on the open market at a reasonable price and stored have passed, and as progress is made in devising new nickel alloys, nickel is going to be in greater demand. On the other hand, United States is not in a position to say that it has a dependable nickel supply. Mond Nickel is controlled in England. International Nickel's control is on the open market. Controlling British-American Nickel Corporation, with its 16,000,000 tons of known ore and up-to-the-minute smelter and refinery, would ensure a supply of nickel for any eventuality.

British American Nickel was a product of the war. Private interests got hold of the property and managed to interest the British government in the project with the result that Great Britain held $14,000,000 in stock and $3,000,000 in bonds, all of which has been lost.

Norwegians were heavily interested. It is believed that when Britain became interested, this was used to sell stock in Norway. It is stated that some $12,000,000 was raised—and ultimately lost—by Norwegians. There was quite a scandal in Norway following the failure of the enterprise and a public investigation was held. It has been reported that one of the promoters returned to the Norwegians something like $600,000 which he was paid in commissions for helping sell the proposition.

Dr. F. S. Pearson, New York financier, who conducted most of the negotiations to get B. A. N. C. property group of 17,600 acres together, paid $1,000,000 cash on the larger purchase price and spent $800,000 diamond drilling. He then went to London to get finances only to be drowned with the Lusitania in May, 1915. It was only the interest of the British government and the fact that the latter gave the company a long term contract for a large supply of nickel, that ultimately put the company over.

Dominion Nickel-Copper Co. were the original owners, a $10,000,000 corporation controlled by J. R. Booth, Ottawa, and M. J. O'Brien, Renfrew, who paid $1,500,000 for the property. Theirs was a gamble as they bought without having a report on the property. It was only a "rusty looking hill."

Henry Ford Group Seek Iron Ore in N.W. Ontario

Henry Ford interests have men in North-western Ontario seeking deposits of iron ore. They are prospecting the Matawin range just to the west of Fort William. This is the nearest range to the head of the lakes.

Blast furnace practice has built up a certain prejudice against magnetite iron ores of which Northwestern Ontario abounds. Ford is reported to have come into possession of a new method of reducing magnetite. It may result in the magnetite becoming more valuable that the much preferred hematite.

The great bulk of the iron ore of the United States to-day comes from the Lake Superior section. It is believed that the big steel companies control 90 per cent. of the ore. Ford must buy from the independents, the same as Canada does. It is believed that in five years the independent ores will have been exhausted. It is believed that Ford sees what he is facing for the future. Ontario saw it, and for that reason offered a bounty for the development of iron ores in the province. It is believed that the big steel interests in the United States see the situation and that is the reason why the large steel plant is being erected at Ojibway, near Windsor, across the river from Detroit. If by the time the independent ores are exhausted Canada has no independent supply of iron ore, Canada will be dependent on U. S. steel producers for its raw materials. The same applies to the Ford interests. It is against the Ford policy which has been developed to the point where the Ford organization is endeavoring to provide all its raw materials. It was the following out of such a policy that led Ford interests to secure large hardwood timber limits in the Lake Superior section of Ontario, the hardwood areas of Michigan being about exhausted.

Large Deposits

Matawin range is west and slightly north of Fort William, and would provide a much shorter rail haul to the head of the lakes than the Atikokan, where there are 25,000,000 tons of magnetite. At Moose Mountain, near Sudbury, there are 100,000,000 tons of magnetite, while there are millions of tons of this ore in the Michipocoten. Helen mine, owned by Lake Superior Corporation, was a large producer of magnetite.

The prejudice of the blast furnace operators, referred to above, is built on technical reasons. So long as the high grade hematite is available, they will not use the denser ore which is more difficult to handle.

On the other hand, furnaces in the Eastern States have found that it pays to put up with these difficulties instead of paying the long rail haul on the high grade Superior ores, with the result that there has been built up in Pennsylvania, New Jersey and New York states a considerable industry founded on the magnetites of these states. Already some of the furnaces have found that proper charges of magnetite are easier operating than the Mesabi ores, and it may be that this has something to do with the Ford plans.

Ford interests control their own coal mines and make their own coke. If the Matawin range was found to be productive of magnetite ores of suitable grade, there would be the short rail haul to the lake head and then by Ford boats to the Ford plant. Ford produced coke from Ford coal would fire the furnace charged with Ford ore, and the product would go into Ford cars and tractors.

The details of the Ford operations on the iron ore range are not available, although it is reported that diamond drilling is being considered.

Canners Common Near Ten Points Above Pref.

Dominion Canners common shares have had a material rise during the past week, selling up to 120, or within 5 points of The Post's recent estimate of the conversion value of the shares, which it called attention to in its issue of Aug. 7. The preferred is practically off the market, as the privilege of choosing the basis of conversion expired Aug. 1, and only about 400 shares remained outstanding at that date. The present market on the few shares out is around 111 or about 9 points below the common. The preferred remaining outstanding after Aug. 1, get $115 in 6 per cent. bonds, and three-quarters of a share of Canadian Canners' common, or, in all, around $121. Common shareholders got $28 in bonds, 1 85-100 shares of Canadian Canners' preferred, with about 15 per cent. in dividend arrears cumulated and .15 shares of Canadian Canners' common.

Business Revival in West Certain; East to Benefit

By Staff Editor.

WINNIPEG. — Whatever changes have been recorded in crop conditions in various sections of the country since I made my forecast of a better time harvest when starting a tour of the prairie three weeks ago, the situation as regards the dollar crop and the business outlook is practically unaltered. Some districts have suffered, others have improved, and the estimate still stands around 350,000,000 bushels at about the same price level.

In the interval, the prediction of business revival has been fulfilled. In Winnipeg it is not yet reflected in retail trade, but wholesalers in dry goods, groceries, hardware and other lines report a very substantial improvement over a year ago. August figures will show marked increases, and there is a general conviction that the first of September will mark in Western Canada a change from a condition of depression and unsettledness to a sound, healthy commercial basis.

Manitoba's crop will be considerably above the ten year average, and business improvement will be general. In Northern Saskatchewan there will be a marked revival as the result of the best crop since 1915. Northern Alberta also has good prospects. In the south heat did much harm in some sections and conditions are uncertain and spotty.

Winnipeg is experiencing a better spirit, but so far as retail business here is concerned any impetus will come later, as the crop money circulates. However, the increased consumption of industrial power reported by the Winnipeg Electric Company is an indication that the promise of better demand has had its effect in that direction. There is a well-defined feeling here that not only will the crop greatly help Winnipeg, but that the benefits will extend to Eastern Canada in a very material way.

Altogether there is every reason to believe that the next few months will bear out the prediction that the business line will rise from below to above the dividing line between depression and prosperity, as the result of a crop which will be much more than a debt-paying one.

Maple Leaf Sews Up Big Share of Bakery Market

Maple Leaf Milling Company's affiliation with the new western bakery merger, the Canadian Bakeries, is particularly interesting since Maple Leaf is said already to own 13,000 shares of class "B" preferred and 13,000 shares of common stock, or the controlling interest, in Canada Bread.

Canada Bread and Canadian Bakeries between them produce close to 145,000,000 loaves a year of bread. All the bakeries of Canada together produce about 445,000,000 loaves a year. This means that Maple Leaf at the present time has about one-third of the flour market, represented by Canadian bakery companies, "sewed up" tight. If Maple Leaf continues its apparent policy of acquiring interests in bakery chains it may conceivably bring this to about half the bakery market by acquiring bakeries in every important city from coast to coast.

Canadian bakeries use 3,000,000 barrels of flour annually. This means that Maple Leaf has a definite bakery market for about 1,000,000 barrels of flour at the present time or approximately 15 per cent. of its total output.

Maple Leaf's holdings of Canada Bread shares are now worth over $1,950,000 and represent a big profit to the company.

DRASTIC REVISION OF CANADIAN TAX SYSTEMS URGENT

Present Haphazard Network Based on Experiment and Not Effective

Does the tax system of the Dominion and of the provinces require drastic revision in order to eliminate a multitude of leaks, of injustices, and duplication? There is evidence that this is the case. The Canadian system of taxes, as well as that of most countries, is based on a series of theories and experiments. An effort has naturally been made to base taxes on justice and on the principle of ability to pay, but there are hundreds of instances where neither principle applies. The Dominion assumed control of the excise and the customs, as well as certain direct taxes, such as the more modern income tax, and left to the provinces the power to impose direct taxes on property within their various jurisdictions. As a result, each taxing authority has built up its own system, and there are naturally numerous cases of conflict and duplication.

An example of a tax where there is evidently some lack of uniformity in the amount collected is the Federal Income Tax. An analysis of last year's returns shows that out of a total of $54,204,027 collected from all classes there is a vast difference in the amounts contributed by the various groups. The most remarkable case is that of the farmers' contribution, which was $275,626, or approximately one-half of one per cent. At the same time the total income of the farm group is much greater than that of any other single group. Last year it was approximately $1,453,368,000. The manufacturers and their employees, on the other hand, paid $14,469,009. This may be taken as the contribution of industry, and is approximately 27 per cent. of the total tax collected. In other words, the farmer pays a negligible tax, while industry pays more than a quarter of the total. The obvious difficulty is the collection of this type of tax from the farmer, but it is clear that if the full amount due were collected from the farming communities, the revenue would be increased by possibly $20,000,000. The United States has much more success in this respect.

Duplication Also

Another difficulty in the way of a thoroughly equitable tax system is the amount of duplication that takes place. In addition to the Federal Income Tax there are several municipal and provincial income taxes, and there is too great an amount of duplication. In the case also of the Succession Duty, while the Dominion government does not impose such a tax, the nine provinces do, and an estate which comprises property in several provinces may be obliged to pay a tax several times, according to whether or not there is any degree of co-operation or reciprocity between the various provinces. It is possible that an estate might have to pay also to outside countries, since the inheritance tax or death duty has been incorporated into the tax system of nearly all modern countries.

Since the needs of government are becoming more and more complex, and its function more various, it is highly desirable that some effort should be made to straighten out the tangle. The costs of education,

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Bank of Montreal's Crop Report Optimistic in Tone

From Our Own Correspondent.

MONTREAL.—The Bank of Montreal crop report says no changes of importance during the week. Prairie harvesting is in full swing, threshing will be general in a few days if weather holds. Northern section reports slight frosts with possible small damage. Ontario is harvesting. Abundant grain crops are being completed in fine weather. Threshing and fall ploughing is general. Winter apples and pears are exceptionally good. Maritimes outlook is promising except apples, which are only fair. In British Columbia heavy rains are benefitting all crops.

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The Business Outlook in Canada

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

THIS YEAR'S CROP WILL RETIRE ALL MANITOBA'S DEBTS

Business Preparing to Make Full Speed Ahead This Fall

Manitoba has the enviable record, and one that has probably not been equalled, of having doubled its farm revenue in a single year, thus adding a spending power of $100 per capita. The agricultural revenue of the province was increased from $84,556,000 in 1923 to $161,913,000 last year, and the sequel was a wholesale settlement of outstanding debts. As a consequence, business is no longer retarded by this factor.

While the crops have suffered in some areas from adverse weather conditions, the loss is now stated to be much lower than was expected. The second largest crop in the history of the province is confidently expected, and the total value of the crops is expected to be somewhere in the neighborhood of $160,000,000, as against $136,025,000 last year. There will probably be some reduction in actual volume of wheat and oats, but the total values will be greatly increased by present high prices. There has been a general feeling throughout the province that another good year, such as that of 1924, would put the farmers and business back upon a sound basis, and prospects for this are remarkably good at the moment.

As a result of the favorable farm outlook, retail and wholesale business are discounting the greater prospective spending power and are stocking up with goods to a greater extent than has been the case for some years. This is especially true in the hardware lines in which a very keen demand is looked for later in the year. The implement and automobile firms are laying their plans for aggressive sales promotion, and are counting on a larger return from this area than ever before.

One of the favorable features of the farming situation is the very marked expansion in branches of farming other than wheat raising. There has been a remarkable development, for example, in the dairy industry. While the total value of dairy products has remained more or less stationary during the last three or four years, due to certain conditions beyond control, the foundations are being laid for much greater capacity. The number of high grade milk cows is increasing rapidly, and the market for Manitoba cheese and butter is expanding. The history of this industry for the past twenty-five years shows the growth of a basic industry from its inception until it now accounts for an annual revenue of about $14,000,000.

Industrially, little progress is being made. Natural conditions point to Manitoba as a grain-growing area and a general farming area and there is little likelihood of any material development along industrial lines in the immediate future at least. At the same time, local needs are such as to create sufficient demand for a large number of smaller plants, and during the past twelve months, a considerable number of these have been added.

From a standpoint of fur production, the past year has been a very successful one. Probably the largest consignment of furs ever received by the Fur Auction Sales Company of Winnipeg arrived recently from the north. Shipments already received are valued at about half a million dollars.

All factors combined, Manitoba's outlook is extremely bright, and basic factors indicate that business in this area will be as good or better, relatively, than in any other part of the Dominion.

Certain basic figures in Manitoba's revenue follow:

All Farm Revenue	
1921	$ 96,562,000
1922	119,261,000
1923	84,556,000
1924	161,913,000
Field Crop Values	
1921	$ 72,136,000
1922	98,078,000
1923	60,707,000
1924	136,025,000
1925	x160,000,000

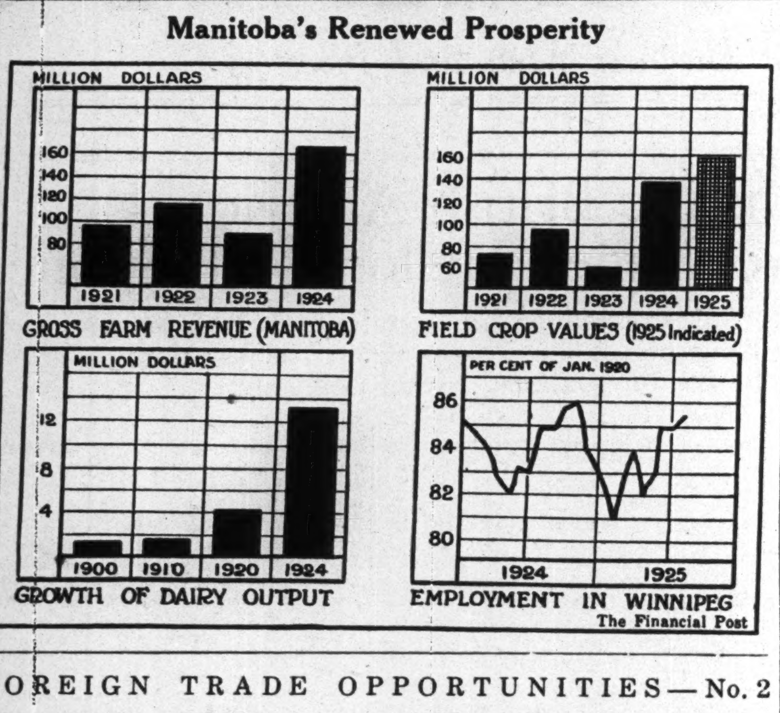
x—Indicated.

Number of Cattle	
1901	349,886
1911	435,568
1920	757,974
1924	710,282

Canadian Conditions

	1925	1924	
Car Loadings—			
Week Aug. 15	51,848	49,034	+ 5.7%
Yr. to date	1,671,842	1,749,949	— 4.2%
Grain Receipts—			
Aug. 1 to Aug. 14	2,056,311	1,748,503	+17.5%
Building—			
July	$11,266,421	$10,195,058	+10.5%
Bank Clearings—July—			
	$1,321,368.298	$1,453,999,460	— 9.1%
Savings Deposits—Chart. Banks—			
June	$1,253,703,216	1,453,999,460	— 9.1%
Current Loans—By Banks—			
June	$895,592,277	$986,366,366	— 9.2%
Net Dominion Debt—June 30—			
	$2,378,619,626	$2,389,912,241	— 0.4%
Balance of Trade— 12 months, June 30—			
Exp.	$1,093,165,663	$1,066,305,260	+ 2.5%
Imp.	817,757,042	854,914,878	— 3.8%
Bal.	275,408,621	215,833,247	+27.6%
Wheat, No. 1, Nor. Winnipeg—			
	Aug. 24—$1.66	Aug. (Av.) $1.43	
Railway Earnings— 6 Months—			
C. P. R.	$75,155,819	$84,656,917	—11.2%
Oper. Exp.	67,356,173	73,266,833	—8.06%
Net	7,799,646	10,390,084	—24.9%
C. N. R.	$105,543,743	114,862,558	— 8.1%
Oper. Exp.	101,801,397	112,233,128	— 9.3%
Net	3,742,346	2,629,430	+42.3%

Manitoba's Renewed Prosperity



FOREIGN TRADE OPPORTUNITIES—No. 2

Colombia Needs Larger Total of Canadian Goods

Bordering on Two Oceans and Tapping World's Main Trade Lanes, Colombia's Business and Industrial Future is Bright

LYING at the northwest extremity of the continent of South America, half on the Atlantic and half on the Pacific, is a thriving young nation with which Canada seems destined to build up an enormous volume of trade—Colombia. With this strategic position, at the centre of the trade world, and on most of the main lines of commerce between the east and the west, Colombia promises to become an important commercial nation if, and as, the world's trade centre shifts from the Atlantic to the Pacific. Colombia has enormous natural wealth which is just beginning to be exploited, and has a population of some seven millions of industrious and progressive people, and a stable government.

The natural wealth of this republic comprises mainly mineral products. Colombia is the world's largest producer of platinum and emeralds, and is the largest miner of gold in South America. There are also extremely promising oil fields which are yet largely undeveloped. Much Canadian capital has already found its way into the development of Colombia's resources, a fact which serves to establish closer relations between the two countries.

Another factor which helps to establish relations, is the fact that certain of our financial institutions have opened branches and agencies in the republic. Some of the insurance companies are carrying on an active business there. Several of the banks have correspondents in Colombia, and the Royal Bank of Canada has recently taken over a number of branches in the important centres of Colombia through the purchase of the Bank of Central and South America. Some very large contracts have been awarded to Canadian construction companies during recent years. At present a Toronto company, the Andean National Corporation, is working on a gigantic pipe-line contract.

Trade Relations Expanding

As in the case of many of the other southern countries, Canada is geting a ridiculously small share of the Colombian trade, in relation to what we should be getting. During the last fiscal year we bought from Colombia $719,441 worth of goods while our exports amounted to only $269,678. But this does not tell the whole story, since, lacking direct transportation service, a large volume of our goods is sent through other countries. Colombia's total trade exceeds $100,000,000, so that the Canadian figures are extremely small, even making allowance for those products which are sent through foreign channels. The leading products imported into the republic are agricultural and other machinery and implements, drugs, wines and liquors, cement, paper, construction materials, and so on. Colombia's chief articles of export are bananas, coffee, gold, platinum, emeralds, rubber, cocoa, etc. Judging from the experience of some of the leading firms doing a general export and import business with Colombia, there is room for much more business in the sale of electrical appliances, engineering and general construction materials, railroad equipment, steel products, and a thousand smaller commodities. It is said also that the market for paper from Canada will expand rapidly as the volume of newsprint used increases. A Canadian trader of fifteen years' experience in Colombia stated to The Financial Post that there is a very friendly feeling towards Canada and Canadian goods, and that five times as much of our goods could be sold in the republic if the market were properly developed and direct steamship service established. More attention, fortunately, is being paid to this question.

Colombia is Progressive

Those Canadians who do not think of Colombia as one of the progressive countries should take a trip by hydroplane along the route from Barranquilla, which is the leading seaport, to Bogota, the capital, which is situated 950 miles from the coast, in the interior. Bogota is said to be the centre of the earliest culture in the western hemisphere, and is a modern city in many respects. Being inaccessible, a thoroughly modern and efficient air service has been established, bringing the capital ten days nearer to the outside world. This is typical of the resourcefulness of the Colombians, and is a small but significant indication that we should build up closer trade relations with this promising people.

While the gold peso, valued at 97.33 cents is the monetary unit of Colombia, there is a gold coin approximately the equivalent of the British pound called the Condor. Silver coins of 50 cents, 20 cents and 10 cents are in circulation. The national government issues $5 and $10 notes. American and British gold are legal tender.

The following table represents the volume and nature of Colombia's trade:

Colombia's Total	Imports	Exports
1918	$22,034,000	$37,729,000
1919	48,487,000	79,029,000
1920	101,398,000	71,018,000

Chief Imports and Exports

Imports	Exports
Cotton manufactures	Coffee
Gold coin	Bananas
Iron and steel	Cattle and hides
Chemicals	Platinum
Machinery and Implements	Tobacco
Paper	Etc.
Bags	

MANY MOTOR TOURISTS

Ottawa, Ont.—Never before in their history have the National Parks of Canada in the Rocky Mountains had such an influx of tourists, both by rail and automobile, as this present season, according to a bulletin issued by the Parks Branch of the Department of the Interior. Last year the number of visitors was twice that of 1923, and this year, from returns already available, it is certain that the 1924 figures will be greatly exceeded.

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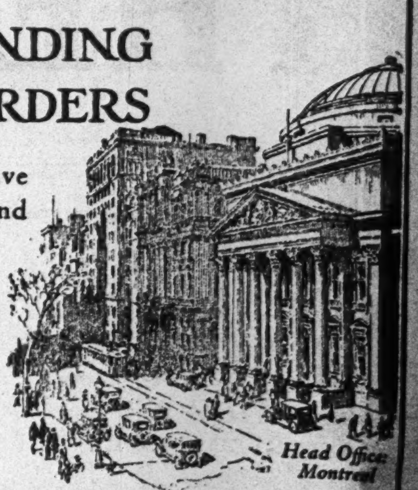

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The Transfer Books will be closed from the 17th to the 31st day of August, both days inclusive.
By order of the Board,
J. W. HAMILTON, General Manager.
Winnipeg, July 16th, 1925.
UNION BANK OF CANADA
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What Rail Consolidation Under Senate Plan Would Mean in Service and Saving

SINCE the last article on the railway problem appeared in The Financial Post of two weeks ago, Canada's government-owned railways have cost the country another $4,000,000. It is because the present system of operation of our railways is costing us not far short of $200 a minute that the problem of finding a means to end the deficit is so urgent.

Some analysis of the senate scheme for railway consolidation may, then, be profitably indulged in.

How did the Canadian senate happen to decide upon its particular scheme for the solution of Canada's railway problems? The senate—as it pointed out in its report—had many plans before it, and of these it considered the most important to be the following:

1. Co-operation between the C. P. R. and the C. N. R.
2. Purchase by the government of the C. P. R.
3. Leasing the C. N. R. to the C. P. R.
4. Sale of the C. N. R. to a second private railway company.
5. Merger of the two lines for administration, but not as to ownership.

The One They Chose

It decided that the last scheme was the most logical, certainly the most expedient at the present time. The scheme as suggested by the senate was virtually the plan outlined before the senate committee (which sat in camera) by a prominent Canadian financier who has made an intensive study of the nation's railway problem. This man did not consider it an ideal solution of the problem and quite likely the senate committee agreed with him. But in offering any plan for public approval, it was necessary to offer something the public would accept. Expediency—business and political—were determining factors in drawing up the plan. If it falls short of the ideal—and admittedly it does—it is because no ideal plan—one without possibility of some criticism from some groups—is possible. And the senate plan certainly has fewer weaknesses than many others that have been offered.

Its main features may be briefly summarized as follows:

1. The C. P. R. and the C. N. R. to be jointly managed by a board of directors chosen as follows:

Five from the C. P. R.

Five from the C. N. R. (the government).

Five business men chosen by the first ten.

2. Recapitalization of the C. N. R. on the basis of earning power.
3. Guarantee of an agreed dividend to the C. P. R.
4. Payment of a similar dividend (when earned) on the new C. N. R. capitalization. The government would get this.
5. Division between the C. P. R. and C. N. R. of any surplus over these dividends.

The Important Advantages

The chief advantages of the plan is that it offers the certainty of tax relief for the citizens of Canada without creating a private railway monopoly that would be feared by most people as a menace. Many business and financial leaders would be willing to see our two big railways joined together under a single private management—say Canadian Pacific management—and would see in such a plan the greatest savings and the most efficient management. They recognize that such a plan would provide for direct centralization of directional authority. However, it was felt by the senate that the Canadian public would buck at such a scheme in the present state of public opinion, and so joint direction was provided for.

Another plan that finds much influential favor provides for two privately-owned competitive lines. This scheme will be dealt with in a separate article at an early date.

Canada's Small Traffic

Consolidation—on the senate plan—is chiefly justified on the grounds that great economies can be effected. There is no doubt that there is not enough traffic in Canada to justify the continuance of operation of all of our existing rail lines. Figures published in connection with this article show how small is the available traffic in Canada compared with American lines that are scarcely earning a reasonable return in their investment. If Canadian traffic were concentrated on a fewer number of lines, the savings would be immense. This would not necessarily mean robbing any part of Canada of rail transportation. Railways run alongside of each other for thousands of miles in Canada. In the East as well as in the West there is such duplication. Under a proper scheme of consolidation, as much as 2,000 to 4,000 miles of steel might actually be lifted and used—to a certain extent—for providing rail highways into districts that now have no transportation facilities. One witness before the senate pointed out that elimination of duplication between Winnipeg and Regina would make it necessary for some few farmers to haul their wheat up to seven miles further. This he considered no real hardship, especially if it enabled transportation facilities to be given to farmers who now haul their grain as much as forty miles further.

Another Analysis of Traffic

The figures of comparative traffic density in the United States and Canada, given in this issue, may be supplemented by other figures compiled by a writer in the Wall Street Journal. He states:

"Each mile of road in Canada serves less than half as many people as in the United States. Thus, although the capitalization of the merger system per mile of road when considered apart from traffic density is not high, the comparison is not favorable when extended to traffic tests. In other words, Canada needs traffic for its railroads if substantial earning power is to be shown on the favorable total capitalization of the proposed merger system. Following table extends comparison of the foregoing group of roads to traffic items for 1924:

	Canadian merger system	Class 1 U. S. roads	Northwest roads
*Freight tonnage.	81.275	2.147,374	236,963
*Passengers	36.739	931,348	61,448
Freight density . .	823,341	1,654,891	962,996
Passenger density	72,464	153,736	71,090
Ton-mile rate (cents). . .	.995	1.116	1.137
Pass.-mile rate (cents) . .	2.689	2.978	3.021

*Last three figures omitted.

"Freight density for the merger system last year was less than half that of the average for Class 1 roads here and was 16 per cent. under the figures for our northwest roads. Passenger density was above that in the northwest, but less than half the ton-mileage per mile of road for Class 1 rails. Freight and passenger rates are lower in Canada, though the ton-mile and passenger-mile rate is affected by the longer distances traffic is carried there.

"With lower rates and traffic density

(Continued on page 7)

Experience of U.S. Lines Shows Difficulty of Our Effort for Rail Profits

IS CANADA attempting the impossible, in trying to make 35,000 odd miles of railway pay its way? Is the traffic in the country too small to-day, and likely to be too small for many years to come, to enable Canadian railways—taken as a whole—to earn a fair return on the capital invested in them?

This was one of the problems that the Senate railway committee looked into. Various witnesses endeavored to show that consolidated operation of Canadian railways was necessary because there was no need for Canada to operate duplicating lines of road to care for the present traffic.

The Financial Post has compiled some figures touching on this subject. They show that United States railways, with much higher rates and much denser traffic, do little more than break even. Can Canada, then, avoid consolidation and the tearing up of many miles of unnecessary lines in order to make its railways prove less of a burden? The figures may illuminate the search for the answer to that question.

The big eastern railways in the States have many times the revenue per mile that the Canadian National enjoys. New York Central in 1924 earned $53,400 per mile gross; C.N.R. earned $10,800. But the C.N.R. and the Canadian Pacific, too, can better be compared with the western lines in the United States—lines such as the Atchison, Topeka and Kansas; the Great Northern; the Union Pacific and the Northern Pacific—that traverse the western grain belt with its sparser population. Even these lines earn more per mile than the Canadian lines, which cover as well the thickly settled industrial regions of Eastern Canada. Here are the comparative figures:

GROSS REVENUES PER MILE OF ROAD

Line	Year	Revenue
New York Central	1924	$53,400
*Union Pacific	1924	20,928
*Atchison	1924	19,900
*Great Northern	1923	14,560
*Northern Pacific	1923	13,570
Canadian Pacific	1924	12,980
Canadian National	1924	10,800

* The western grain roads in the U.S.A.

The higher revenues in the States are due to a greater density of traffic. Western railways in the U.S.A. have a density of freight traffic that compares as 100 to 85 for all Canada and of passenger traffic that compares as 94 to 80. Here are the statistics upon which this statement is based:

TON MILES OF FREIGHT PER MILE OF ROAD

United States railways, western lines, 1924.	1,039,000
Canadian railways, 1924, including busy eastern lines.	855,000

PASSENGER MILES PER MILE OF ROAD

United States railways, western lines, 1924.	93,600
Canadian railways, 1924, including busy eastern lines.	80,000

These figures of density of traffic are necessary to offset the possible claim that American lines earn more money per mile solely because of their higher freight rates. For American lines do enjoy higher rates. Here is a comparison of what American western lines and all Canadian lines earn for carrying a ton of freight or a passenger one mile:

FREIGHT REVENUES PER TON MILE

United States railways, western lines, 1924.	1.293 cents
Canadian railways, 1924	1.011 cents

PASSENGER REVENUES PER PASSENGER MILE

United States railways, western lines, 1924.	3.065 cents
Canadian railways, 1924	2.789 cents

The higher freight rates and the higher passenger rates are not the chief reasons why United States lines earn so much. It is that they have more traffic along their lines and can keep their steel humming and their equipment rolling.

Yet despite this denser traffic the United States lines are not earning a large return. The four U.S.A. lines quoted earn less than 5 per cent. on their valuations; certainly not exorbitant profits.

Here are figures:

EARNINGS ON RAILWAY INVESTMENT OF WESTERN U.S.A. LINES, 1923

	Earnings on book value	Earnings on value claimed before Interstate Commerce Commission
Atchison	5.02%	4.81%
Great Northern	5.27%	2.25%
Northern Pacific	3.50%	3.43%
Union Pacific	4.72%	4.50%

What is the significance of these figures in a discussion of the railway problem in Canada.

Simply this: they prove that Canada is attempting an exceedingly difficult, perhaps impossible, job in trying to make its railroads pay while there is neither enough traffic nor a high enough average rate to carry the load.

Consolidation of operation—perhaps of ownership—of Canadian railroads may be turned down on other grounds but it justifies itself as a means of eliminating enough duplicated operations to enable the lines that would be left to get sufficient traffic to turn deficits into profits.

In this connection, it is worth while mentioning that the whole tendency in the United States to-day is for consolidation. The people of the States, long taught to fear combines and trusts, are forcing the railways into mergers to reduce costly competitive operations in fields that have not enough traffic to justify the existing large mileage of railway lines.

Asks Questions on Railway Mess

Editor, The Financial Post:

Shall Canada Merge Its Railways or Sell the C. N. R. to Private Owners

The article under the above heading, in your issue of August 14, outlines two possible solutions for our railway problem. As to whether either of the plans outlined will appeal to us Canadians as owners of the Canadian National, is an open question, but, if the article is the means whereby the railway question will be taken up seriously, and if by and through constructive criticism, we are able to arrive at a conclusion as to what we are going to do with a situation that if not handled right and with a strong hand is liable to have a most unsavory ending, then, whether either of the plans outlined in the article are adopted or not, it could not be said that its publication was in vain.

The railway problem is occupying the attention of great numbers to-day, which is as it should be, and the interest being shown, both through the press and general conversation, should augur well for the final outcome. It behooves us, though, to approach the matter with a very open mind, never forgetting that we, the people of Canada, are already owners of the greatest railway mileage in the Dominion, which we took over at a terrible price, and that the onus is upon us to see that no party or parties, no matter what garb they may come to us in, whether parliamentary, senatorial, or otherwise, are allowed to barter our belongings for any "mess of pottage."

It may be a good thing at this time to analyze the Canadian National situation, as it applies to us as owners, asking ourselves the following questions:

1. Why was the medley of railways, etc., taken over, at the price we had to pay, if, after so short a time, some are ready to give the system as at present constituted, away for nothing?

2. Do we consider that three years under efficient management is a fair trial for a railway system, representing an investment of over two billion dollars, and as to whether we do not feel, that net earnings of 20 million in 1923, and 17 million in 1924 are fair indication of what we can do if we try?

3. Why our Ottawa representatives saddled us with a load of this nature, if they thought that in a few years it would only be worth 30 cents on the dollar?

4. Was the investment made on the strength of foresightedness, that the day would surely come when its true value would be appreciated, or was it gone into, with the avowed intention of a resale to private interests, as soon as this could be done with propriety?

5. Do we appreciate the fact, that should the Canadian National Railway be disposed of, along lines mooted by certain private individuals, we will be left with a debt of at least one billion dollars on railway account, and in place of having the system as an asset and possible earning power to help liquidate the debt, we will have to carry the load unaided?

6. Do we think that if the railway situation were reversed, that there would be the same interest shown in the possible solution as at present, and if so, why was it not put into effect previous to our investing two billion dollars, instead of to-day, when public opinion is being educated along lines, that the system is only worth one-third of what we put into it?

7. Would it not be different if we had "backbone" in place of "wishbone," so that we would rise in our wrath and scatter to the four winds, any or all of our politicians or others, who would sacrifice our heritage for their own mercenary ends, placing same ahead of patriotism to their country?

These are a few questions that it would be well to ask ourselves, ere we jump out of the frying pan, to land in a possible very hot fire.—

T. H. CARVETH.

Montreal, August 18, 1925.

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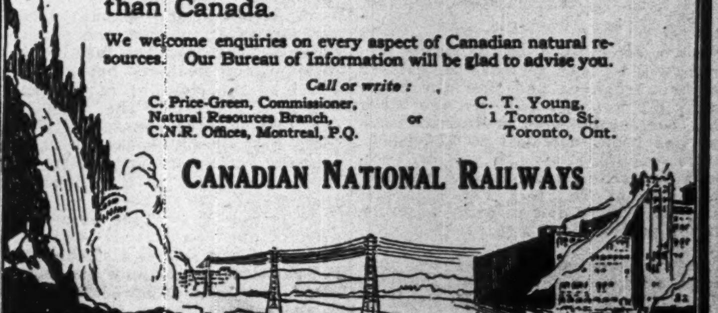

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NATIONAL CEMENT INCREASES CAPITAL

Will Issue More Preferred Stock to Better Working Capital Position

From Our Own Correspondent.

MONTREAL.—At a meeting of the shareholders of the National Cement Co. held this week, the shareholders approved certain changes in the capital structure of the company which will allow the sale of additional preferred stock. To permit of this further financing, the shareholders authorized certain changes in the company's charter. This will be ratified shortly and within a week the shareholders will again meet and be asked to authorize the actual sale of some of the new preferred stock.

The old and new capitalization compare as follows:

NEW CAPITAL
When new financing completed

	Authorized	Outstand.
7% Bonds	$1,500,000	$1,500,000
7% Pfd. stock	2,500,000	2,000,000
	Shares	Shares
Common Stock, (No par val.)	50,000	50,000

Old Capital

	Authorized	Outstand.
7% Bonds	$1,500,000	$1,500,000
8% Pfd. Stock	1,500,000	726,000
Common Stock (No par val.)	25,000	25,000

From a comparison of the above figures it will be seen that the bond issue remains unchanged and that the bondholders are not affected. On the other hand, the authorized preferred stock issue has been increased to $2,500,000; of this amount $2,000,000 will be sold. Joseph Versailles, a director of the National Cement Co., told The Financial Post that of this new offering of stock a large portion has already been disposed of.

The preferred stock under the new charter will bear interest at the rate of 7 per cent. as compared with a rate of 8 per cent. under the old charter. This explains the reason of the increase in the common stock of no par value, for it is probable that the holders of the old preferred stock will receive a bonus of common to compensate for the lower interest rate which their securities bear.

Mr. Versailles also told The Financial Post that the new issue was for the purpose of increasing the working capital from about $250,000 to $1,000,000.

The change in the charter made necessary the incorporation of a new company bearing the same name. The old company will simply sell out to the new and the liabilities of the old company are, naturally, assumed by the new.

NEW CAPITALIZATION IN ASBESTOS DEAL

Revamping of Capital Structure of Asbestos Amalgamation Said to be Complete

From Our Own Correspondent.

MONTREAL.—The asbestos merger negotiations still continue. This week, Sir Mortimer Davis sailed for Europe. As he is the owner of the Consolidated Asbestos Company, it has been suggested that this might mean that the situation might remain in the same position for some time, but no doubt Sir Mortimer's attorney, Lord Shaughnessy, is still in charge of negotiations, and Sir Mortimer's departure should not hinder a complete re-vamping of the scheme in order to bring it more in line with the desires of Asbestos Corporation. As far as can be ascertained, the meeting of the various interests in New York last week was unsatisfactory, and further meetings are being held this week.

It is said that the new exchange basis for the shareholders of the Asbestos Corporation will be as follows: for every share of preferred, one new $100 bond plus one share of common, and for each share of common stock, one share of new preferred plus one share of new common.

If this rumor is fulfilled it would seem to be more in line with the equity back of the present shares of the corporation.

Every effort is being made to bring the negotiations to a successful conclusion and it is thought that final terms are now being discussed. A definite announcement regarding the success of these new negotiations will be forthcoming soon.

Rumor has it also, that should the present deal fall through, the Asbestos Corporation itself will endeavor to work out a merger.

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"Steamers" Improves Its Earning Ability

From Our Own Correspondent.

MONTREAL.—Although the gross revenue of Canada Steamship Lines to the end of July, 1925, has been lower than the corresponding period of 1924, yet the net earnings have been substantially higher. The net earnings in July were excellent and amounted to some $423,000 after interest and depreciation charges. The earnings for the year depend on the business between September 1 to the close of navigation; with the good harvest in the West in view, the outlook is encouraging. The company has already booked a substantial tonnage, rates are more favorable and all indications point to a generally larger traffic.

As is well known, the passenger business of the company is well ahead of last year, and this is also the case with the package freight business, but on the other hand, the freight business, which is the largest factor in the profits of the company has been considerably below that of 1924—this is largely accounted for by the smaller volume of wheat harvested last autumn.

The president of the company, W. H. Coverdale, has indicated that the balance sheet of the company has been undergoing a steady improvement and that net quick assets are a million dollars ahead of last year, and that there is no bank loan and the company has some $1,200,000 in cash. The Canada Steamship Lines owns outright the Century Coal Company. Business with the latter concern, has also considerably improved this year.

Some new ships are being added to the fleet, but these are being paid for out of income, which makes all the more remarkable the enhancement of the company's position.

Cabinet Decides Soon on Manitoba Limits

From Our Own Correspondent.

MONTREAL.—This week, a delegation of twenty from Manitoba waited on the government at Ottawa and urged the granting of pulp concessions north of the 46th degree to the Seaman-Backus interest, pointing out the advantages of that $5,000,000 project which would accrue to the Province as a whole.

Hon. Charles Stewart, Minister of the Interior, and Hon. George T. Graham, Minister of Railways, both informed the delegation that this question would be decided at the Cabinet meeting in the next few days.

Speaking for the Cabinet ministers who heard the delegation, Mr. Stewart said the only question to be decided now was whether an agreement should be entered into between the government and the parties making the application, or whether the limits should be put up at auction. His department estimated that there was room for three 200 ton pulp mills in Manitoba and that he would do nothing which would in any way retard the development of the pulpwood industry in Manitoba.

The deputation was headed by Mayor Webb, of Winnipeg, and the project sponsored includes the building of a pulp and paper mill at Winnipeg, raw material to be supplied by the timber limits in the Northern portions of the province.

SAULT STE. MARIE BONDS

Negotiations have just been completed between the city of Sault Ste. Marie, and Wood, Gundy and Co., whereby the latter company has taken $150,000 worth of bonds of the city issued against uncollected taxes, while Sault Ste. Marie, has bought in return $150,000 Canadian National Railway bonds. The debentures of the city were sold at 93½ representing a yield of about 5.15.

D.U.R. RECEIVER RESIGNS

An order extending the present receivership of the Detroit United Railway to cover a foreclosure proceeding recently instituted by the Central Union Trust Company of New York, has been signed by Federal Judge Charles C. Simons. Judge Simons also named W. C. Dunbar, president of the Philadelphia Rapid Transit Company, to be co-receiver with the Security Trust Company of Detroit. He succeeds J. W. Simard, of Montreal, former co-receiver, who resigned.

The Securities Markets

Market Level Materially Higher Than on Jan. 1

Net Advance of 150 Stocks is Close to 1,000 Points—Declines Few and Average Much Lower Than the Gains

Market Indicator
20 Industrial Stocks

	High	Low
Week of Aug. 26	82.6	80.1
Week of Aug. 19	84.1	81.2
Mth. of Aug., 1924	70.3	66.6

Canadian stocks have had a fairly generous rise this year. It has been general throughout the whole list and surprisingly strong in points where one might expect to find weakness. A review of the price range from the first of the year to date shows that 107 stocks have scored advances of 1,254 points or an average of 11¾ points each. Declines numbered 40 for 224 points or an average of slightly better than 5 each. The market has been a good one and for the most part the record advances have been retained.

Two groups furnish somewhat of a surprise. The banks all showed a higher price range than the first of the year. Not a one fell off. It is quite evident that the confidence of the investor has been restored. The other group is the textile. There has been a great deal of talk in regard the precarious position of the industry, yet the market says that the industry is improving and students of the market declare "the market does not lie."

A recapitulation of all groups follows:

Group	No.	Gains	No.	Losses
Banks	9	100	..	..
Paper	11	122¼	2	8
Steel	5	50	12	76
Milling	7	63¾	5	38½
Utilities	15	221⅝	1	6
Transportation	10	59½	5	38⅞
Textiles	10	66½	1	1¼
Industrials	40	571¼	14	55¾
	107	1254⅝	40	224⅜

The table below shows that nine bank stocks advanced 100 points or better than 11 each. One bank, Canadienne, remained unchanged. Dominion with 16 and Nova Scotia with 14 points led the advance.

Banks

Stock	Jan. 1	Present	Advance
Commerce	197	206	9
Dominion	190	206	16
Canadienne	150	150	..
Imperial	189	199	10
Montreal	245	255	10
Nova Scotia	265	279	14
Royal	227	238	11
Standard	171	183	12
Toronto	196½	207	10½
Union	107	115½	7½
Total gains			100

No declines.

The paper group has had an excellent year. The stocks have fluctuated up and down considerably but in the main the tendency has been upward. Eleven of the 13 active issues show advances of 122 points while only one gave ground. Smith issues, Provincial, Wayagamack and Price led the advance. Brompton which has been off for some time was the only decline, Laurentide holding its own.

Paper

Advances

Stock	Jan. 1	Pres.	Adv.
Abitibi, c.	62	67¾	5¾
Abitibi, p.	104	107	3
Price Bros.	36½	51	14½
Provincial, c.	89	109	20
Provincial, p.	96	99	3
Smith, c.	22	45	23
Smith, p.	75	100½	25½
Spanish, c.	102	105½	3½
Spanish, p.	112½	116	3½
St. Maurice	80	84½	4½
Wayagamack	35	52	17
Total gains			122¼

Declines

Stock	Jan. 1	Pres.	Dec.
Brompton	32	24	8
Laurentide	81½	81½	..
Total decrease			8

Twelve of the 17 active steel issues are selling below the level at the first of the year. The seven months passed have not been good for the industry and there are few signs of improvement. In many cases the declines took place in stocks that are sound but which promise a long wait for better things. Dominion Bridge and Ontario Steel, two aggressive companies that are doing well, both made general price advances in the period.

Steel

Advances

Stock	Jan. 1	Pres.	Adv.
Dom. Bridge	80	98	18
Ont. Steel, c.	41	57	16
Ont. Steel, p.	92	99	7
Steel of Can., c.	84½	90½	6
Steel of Can., p.	108	111	3
Total gains			50

Declines

Stock	Jan. 1	Pres.	Dec.
Besco, c.	3¼	2	1¼
Besco, 1p.	30	26	4
Besco, 2p.	9¼	7½	1¾
Can. Car, c.	50½	37¼	12¼
Can Car, p.	85½	78	7½
C. Foundries, p.	45	40	5
C. Loco., p.	90	78	12
Dom. Coal	45	40	5
Dom. Iron	28	20½	7½
Dom. Rad.	100½	100	½
Dom. Steel	37	24¾	12¼
N. S. Steel, p.	32	25	7
Total declines			76

Rather startling has been the advance in Ogilvie Milling, 165 points since the first of the year. On Jan. 1 the stock was quoted at 375 and later the shares were split, 3 new for one old. The new appeared on the market at 143 and is now selling at 180 which gives a price of 540 for the old stock. Two Canada Bread issues, the old common, now "B" preferred and the new common, both had material advances while the preferred shares hardly held their position. St. Lawrence Flour has had a bad break, losing 34 points. The company has not been doing well and was forced to discontinue dividends. It is believed that the present market of 31 about reflects its true position.

Milling

Advances

Stock	Jan. 1	Pres.	Adv.
Can. Bread, b.	*86¼	95	8¾
Can. Bread, c.	*39¾	59½	19¾
Lake of Woods, p.	121	125	4
Maple Leaf, c.	81	91	10
Maple Leaf, p.	98	99½	1½
Ogilvie, c.	**375	540	165
Ogilvie, p.	122¼	126	3¾
Total gains			63¾

Declines

Stock	Jan. 1	Pres.	Dec.
Can. Bread, p.	103½	103¼	¼
Int. Milling, p.	100	96¾	3¼
Lake of Woods, c.	185	185	..
St. L. Flour, c.	65	31	34
W. C. Flour	109	108	1
Total declines			38½

* As of July 5.
** Split 3 for 1 Jan. 26.

One of the most active groups of the market is the Utility. Only one Montreal Telegraph slipped while 15 bettered their position for a total of 221 points, an average of over 15 points. Montreal Light, Heat and Power which has steadily moved up to 212 was the chief contributor with 68 with Shawinigan second with 42 points. Quebec Power common also did well while there were numerous other rises of better than 10 points.

Utilities

Advances

Stock	Jan. 1	Pres.	Adv.
Bell Tele.	136½	139½	3
Con. Gas	169½	170½	1
Kam. Power	104	120	16
MacKay, c.	116¾	132	15¼
MacKay, p.	68¾	69	¼
Mex. L., c.	22	24	2
Mex. L., p.	57	58	1
M. L. H. & P.	154	212	68
Ottawa L. H. & P.	97	103	6
Ottawa L. H. & P.	100½	104⅞	4⅜
Quebec P., c.	85	118	33
Quebec P., p.	106	111	5
Shawinigan	130½	173	42½
S. Can. P., c.	68	79	11
Laurentide	95	108	13
Total gains			221⅝

Declines

Stock	Jan. 1	Pres.	Dec.
Mont. Tele.	53	47	6
Total losses			6

The Transportation group shows twice as many gains as losses, but the average loss was slightly above the average advance. The break in Detroit United stock following the passing of the bond interest was a factor in this. Winnipeg Electric did well and also Montreal Tramways. The improvement in the latter issue has been recent, following the campaign of building goodwill which the company has undertaken in Montreal. Brazilian is up, reflecting improved dollar earnings because of a higher exchange rate. Porto Rico common has been stationary for a time now.

Transportation

Advances

Stock	Jan. 1	Pres.	Adv.
C.S.S., c.	11½	12¾	1¼
C.S.S., p.	47½	48½	1
Brazilian	55¼	66½	11¼
Ill. Trac.	92½	95¼	2¾
Mont. Tram.	171½	185	13½
Ottawa Traction	63	64½	1½
Porto Rico, c.	36	46	10
Porto Rico, p.	84⅛	88	3⅞
'Peg Elec., c.	37¼	52	14¾
'Peg Elec., p.	87	97	10
Total gains			59½

Declines

Stock	Jan. 1	Pres.	Dec.
C. P. R.	151¼	145	6¼
Barcelona	22⅞	20	2⅞
D. U. A.	23½	1	22½
Duluth S.	38	35	3
Twin C., c.	65¼	61	4¼
Total losses			38⅞

Dominion Textile has furnished the fireworks of the Textile group. Penman's common is down a little to what it was a short time ago. On the whole the market in this group would indicate that all the companies are either enjoying or are about to enjoy better things.

Textiles

Advances

Stock	Jan. 1	Pres.	Adv.
Can. Converters	81½	86	4½
Can. Cottons, c.	106	115	9
Can. Cottons, p.	91	95	4
Dom. Textile, c.	66¼	85	18¾
Dom. Textile, p.	111	117	6
Montreal C., c.	95	103	8
Montreal C., p.	109	112	3
Penmans, c.	150¾	158	7¼
Penmans, p.	100	101	1
Wabasso C.	58	63	5
Total gains			66½

Declines

Stock	Jan. 1	Pres.	Dec.
C. C. Cottons, p.	46	44¾	1¼
Total losses			1¼

Forty industrial stocks are selling 571 points higher, an average of better than 14 points and 14 are lower 55 points, an average slightly under 4. This tells a story of material activity. Mergers and reorganizations played their part. The F. N. Burt issues, common and preferred and Canners common, provided the leadership. Though there was a stock split in Burt common and a fairly good rise in the market after, the advance was not equal to the gain in the preferred shares of 68 which was just equal to the advance of Montreal L. H. & P. and 5¾ points above the advance of Canners common. Improved earnings and position were behind the movement. The seven month advance only tells part of the story of the rise in Canners which started the year at 57 but in 1924 had moved up from much lower levels. Asbestos Corporation shareholders have benefited a great deal from the merger negotiations, and both had material advances, the common 38 and preferred 27. Atlantic Sugar has done a great deal better. Negotiations for control were on for a time and this, along with improved business and plans for the taking care of the company's debts, tell the rest of the story. That there has been a pool working in B. C. Fish, seems certain and this explains the advance. The company has done much better and there are prospects of dividends in 1926. Canada Cement, Canada Salt and City Dairy all enjoyed material rises which but reflect the improved position of these concerns. Dominion Stores common with a 21 point advance, indicates bigger and better business for this company. Frontenac Brewery, despite the beer war, has done well in market appreciation. New issues of this group which have gone on the market during the year show evidence of a very good reception. National Breweries which has suffered from the beer war in Montreal, is the only large issue of the group to fall back 10 points. Sterling Coal was the other. Declines generally were small.

Industrials

Advances

Stock	Jan. 1	Pres.	Adv.
Amer. Sales B, c.	38½	47	8½
Amer Sales, p.	90	91½	1½
Asbestos Corp., c.	35	73	38
Asbestos Corp., p.	73½	101	27½
Atlantic S., c.	13½	32½	19
Atlantic S., p.	40	77	37
B. C. Fish	23	47	24
Bird & Son	83	83¼	¼
F. N. Burt, c.	*141	180	39
F. N. Burt, p.	142	210	68
Can. Cement, c.	92½	109	16½
Can. Cement, p.	107¾	116	8¼
Can. Salt	116½	140	23½
City Dairy, c.	66	88	22
City Dairy, p.	107	108	1
Canners, c.	57¾	120	62¼
Canners, p.	95⅝	110	14⅜
Dom. Glass, p.	110¼	114	3¾
Davies A	26	27¼	1¼
Dom. Stores C	34	55¼	21¼
Dom. Stores A	97½	103	5½
Frontenac B.	65	120	55
Goodyear p.	91	92	1
Lyall	11	22	11
Pt. Hope S., c.	55	75	20
Russell, M., c.	28	33½	5½
Russell, M., p.	75	83	8
Sherwin, W., c.	115	126	11
Sherwin, W., p.	104⅝	107¼	2⅝
Tooke, p.	37	62	25
Tuckett, c.	59	64½	5½
Tuckett, p.	96¼	99⅝	3⅜
Woods, c.	24	31⅜	7⅜
Woods, p.	65¼	69	3¾
Pure Gold	25	25⅝	⅝
Christie, B.	31¼	58½	27¼
Christie, p.	109½	..	..
Gilman, p.	100½	111	10½
Gilman, c.	80	101	21
Dodge, c.	22	28	6
Dodge, p.	80¼	80½	¼
			571¼

Declines

Stock	Jan. 1	Pres.	Dec.
C. G. Elec., p.	55	54	1
Can. Ind. Al.	18⅝	16	2⅝
C. Nest Coal	47	45½	1½
C. C. Sugar, c.	6	5	1
C. C. Sugar, p.	35	32½	2½
Dom. Glass, c.	114	109	5
Nat. Brew., c.	63½	53	10½
Nat. Brew., p.	105½	100	5½
Pac. Burt, c.	94½	90¾	3¾
Pac. Burt, p.	106⅝	101	5⅝
W. Rogers, c.	56	53	3
W. Rogers, p.	90	90	..
Sterling Coal	50	39	11
Nat. Brick, c.	18	15	3
Nat. Brick, p.	79½	79½	..
Total losses			55¾

Water Power Bonds

NESBITT, THOMSON & COMPANY LIMITED
MONTREAL TORONTO HAMILTON WINNIPEG LONDON, Ont.

A Nation Building Investment

C.G.E. Gets Order for Chute a Caron Plant

Aluminum Co. of Canada, the new Mellon venture in Quebec, has placed an order for its power development equipment for Chute a Caron with Canadian General Electric. It is one of the largest ever placed in Canada and includes 18 synchronous converters, each of 3,600 kw. capacity, and 12 high voltage step up and step down transformers, each of 25,000 k.v.a. with a primary voltage of 154,000 volts.

The converters will be the largest units of this type in Canada, and interesting features are incorporated for starting any of the converters automatically from the direct current bus. The transformers will have both the greatest capacity and the highest primary voltage of any transformers in Canada.

The order also includes 10 transformers, each of 7,500 k.v.a. capacity, with double secondary windings. Each of these transformers will operate with two of the synchronous converters, with one as a spare.

This equipment will all be manufactured in Canada in the plants of the Canadian General Electric Co. in Toronto and Peterborough.

Where Quality is Concerned

PEOPLE of discrimination—those who do not accept "something just as good" when they ask for a certain article—largely determine in each community what particular brands local dealers will carry.

An aristocracy of buying power, their influence is as great on Main Street as on Fifth Avenue.

An equal measure of discrimination is exercised by this element in each locality in the choice of the publications that enter their homes.

Hence the established and recognized supremacy of MacLean's Magazine as a medium by which the national advertiser may reach this—the most influential and most important group in the market.

That advertisers appreciate this is shown by the fact that in 1924 MacLean's Magazine carried more paid advertising than the next two Canadian magazines combined. Under every classification MacLean's carried more advertising than any other magazine published in Canada. In the case of automobiles and accessories, there was almost five times as much advertising in MacLean's as in any other Canadian magazine.

The success or failure of each advertised product is determined by whether it is "sold" to the leading influential families.

MacLean's Magazine is pre-eminently the magazine of Canada's leading homes—those in each locality who want and get the best.

Sell to the leaders in Canada through MacLean's

Better Working Conditions for Staff Object Behind Erection of New Home For Growing Manufacturers' Life

Manufacturers' Life Assurance Company opened its new head office building in Toronto this week and, most fittingly, the edifice was declared open by a business leader who has made a hobby of fine buildings—Hon. P. C. Larkin. "People work better in good surroundings," is the philosophy of Mr. Larkin, who has provided the Salada Tea Company with some of the finest office and warehouse structures on the continent.

Mr. Larkin's views are going to have ample opportunity to demonstrate their soundness in the Manufacturers' Life structure, for it is one of the most beautifully designed, airiest, brightest and most comfortable office buildings in Canada. It is located away from Toronto's business district in a spacious plot of land in one of the city's upper levels, flanked by trees and lawns, with a shaded ravine behind, separating the building from Toronto's finest residential area.

"There was no reason why we should build down-town, and many good reasons why we should build up-town," J. B. McKechnie, general manager of the company, told The Financial Post at the opening. "Our staff are nearer to their homes; they have more air and better light and finer working conditions, and they have quiet. We have room for expansion here to look after our needs for many years to come."

So much for the effect of the building on the staff. It is recognized, too, that the building will have an immense advertising value for the company. It is located in the largest straight city street in Toronto, a street that this very week acquired a street car line ten miles from limit to limit without a deflection in its direction.

The new building, which is done in Georgian Renaissance and which was designed by H. Sproatt, is 196 feet in length and 45 feet in width, with additional sections of 18 feet on the east and west wings. It is of grey stone, with six stories and basement. The land has a frontage of 300 feet on Bloor Street and runs back 700 feet to the Rosedale Ravine.

It is the seventh home of the Manufacturers' Life in its 38 years of existence, the many moves being necessitated by the company's steady growth to its present position, with $310,000,000 of insurance in force.

Hon. P. C. Larkin officially opened the building. At a luncheon in the building, W. G. Gooderham, president, presided. He said: "The business of the head office of a life insurance company is, in most of its departments, carried on by mail with its branch offices throughout the country, so that a very small percentage is conducted directly with the public. There is nothing essential, therefore, in the head office of a life insurance company being situated in the financial district.

"The main requisites for the head office of a life insurance company are that there should be available good light and air, reasonably comfortable quarters for the staff, and, in view of the rapid growth, adequate room for expansion. These objects we believe we have attained in our present location."

Premier G. H. Ferguson of Ontario, the mayor of Toronto, and Sir William Mulock spoke.

McINTYRE EARNED $2 PER SHARE; HAS RESERVES OF $15

Porcupine Mine Has Opened up Record Depth of 3,000 ft.

McIntyre Porcupine Mines had the most prosperous year in its history, according to Pres. J. P. Bickell, pres., in the annual report, and a review of the report serves to substantiate this. Net profits were $1,618,886 as compared with $1,488,468. It is a story of all-round progress. Developments have now been extended below the 3,000-ft. level; ore reserves show an increase of $1,115,087 to $12,428,905, while mining costs are down.

The mine is in an excellent position. Mgr. R. J. Enis' report shows that no new levels were opened up, but a great deal of new development work was undertaken and which sets the stage for the company to put new ore in sight very fast, if this was necessary. Ore during the year was drawn from stopes on a basis of about 10 to 1 from development, but even with development work centred on this effort to open up the mine rather than break ore, over 38,000 tons were added to broken ore reserves.

The profit and loss account for the year follows:

Profit and Loss—	1923	1924	1925
Oper. Earn.	$2,249,742	$3,029,178	$3,546,637
Oper. costs	1,167,644	1,615,453	1,742,628
Adm. exp.	166,873	172,879	184,872
Oper. profit	$ 915,225	$1,502,846	$1,619,137
Other Rev.	56,620	77,537	95,833
	971,845	1,580,383	1,714,971
Less—			
Taxes	52,677	91,914	96,084
Depreciation	179,658	295,628	368,120
Sundry chgs.	139,939	97,839	281,712
Dividends	546,042	559,639	798,000
Surplus	53,529	535,363	174,054
Brought for.	1,638,422	1,795,615	3,137,489
Prem. of share sale	103,664	611,272	....
Plenaurum deal	....	195,239	....
Surplus	$1,795,615	$3,137,489	$3,311,543

While the company handled 40,000 tons more in 1925 than the year previous, it will be seen that the increase in operating costs was small in proportion. Investment income was higher as was allowance for depreciation, taxes and sundries. This latter this year includes $268,943 undistributed development charges which have been written off. Dividend disbursements were $230,000 higher. Surplus stands well above $3,000,000, or over $4 per share. Net earnings were $2 per share, while dividends are $1 per share.

The following tables deal with production, costs and ore reserves. It will be seen that the average recovery per ton was slightly lower, but that the tonnage was higher. Taking the costs per ton from the recovery per ton, it will be seen that profit per ton in 1924 was $4.17 as compared with $4.05 this year. In the matter of reserves there is a generous increase in total and also in broken ore. The reserves are equal to $15.50 per share. The figures are:

Milling Record

	1925	1924	Tot. to date
Treated, Tons	400,259	360,140	2,347,135
Value	3,774,068	3,488,863	23,351,951
Per ton	9.43	9.69	9.95
Recovery	3,546,638	3,291,178	22,060,226
Per ton	8.86	9.14	9.40

Operating Costs

	1923	1924	1925
Mining	$3.32	$3.165	$3.102
Milling	1.11	.985	.954
Misc.	1.11	.815	.755
	$5.54	$4.965	$4.81

Ore Reserves

	Tons	Assay	Value
1923	858,504	9.92	8,514,800
1924	1,167,064	9.70	11,318,816
1925	1,348,283	9.20	12,428,903
Broken Ore Reserves			
1923	155,881	10.24	1,597,522
1924	182,184	9.90	1,813,557
1925	221,025	9.60	2,119,052

McIntyre's balance sheet shows the mine in good position. Current assets stand at $2,227,000 and liabilities at $227,000, leaving $2,000,000 working capital. Generous provision is made for depreciation of plant, and this stands at $1,941,746, while the plant is carried on the books at $2,404,645. General reserve stands at $148,987.

Some interesting information on the magnitude of McIntyre's ore shoots is given in Mgr. Enis' report on development. Some of the lengths of drifts and the width of ore bodies, indicate great ore bodies yet to be mined:

Vein	Level	Length of drift, ft.	Width of ore, ft.	Aver. per ton
3	2,000	287	12	$ 8.00
7	1,250	310	10	10.50
7	1,375	310	10	10.50
7	2,000	400	8	9.00
7	2,125	395	7.5	7.50
7	2,250	700	8	8.00
7	2,375	800	8	12.00
8	1,625	200	7	9.20
9	1,625	146	7	9.00
9	1,750	200	7	9.50
9	2,375	190	10.5	10.30
12	1,875	410	6	10.50

These are in addition to old work and by no means give the total length of the veins. For instance, No. 7 on the 2,375 is opened for 1,800 feet. Opening up No. 12 at depth indicates deep mining possibilities in Jupiter section.

A statement of McIntyre earnings over a period of years follows:

Year	Earnings	Dividends	Surplus
1918	$1,731,450	$541,452	$ 872,172
1919	1,745,990	364,028	1,163,731
1920	2,315,893	546,042	1,381,683
1921	2,177,277	546,042	1,646,207
1922	2,103,897	546,042	1,638,422
1923	2,410,027	546,042	1,795,616
1924	3,717,987	559,639	3,137,489
1925	3,642,470	798,000	3,311,543

B. C. PAPER COVERS WORLD

Victoria, B. C.—British Columbia paper is selling on a widening market. It supplies Western Canada and a large part of the Pacific Coast States; 1,000 tons monthly goes to Buenos Ayres; several orders were recently sent to Havre, France, which, it is expected, will become a steady market. A market has now been opened at Antwerp. As a result of the new Canada-Australian trade treaty, provincial paper manufacturers are looking for a big demand from that market, which had hitherto been restricted due to a high import duty demanded.

WANT A VOTE ON 'PEG ELECTRIC DEAL

Labor Element Opposes Agreement With Hydro to Eliminate Competition

Contrary to expectations, four Winnipeg aldermen have definitely lined up against the report of Manager Glassco of the Hydro departments favoring the deal whereby Winnipeg Electric would vacate the city retail field and leave it exclusively to Hydro.

The opposing aldermen want the council to take a vote of the people on the proposal. This is the stand taken by city labor leaders.

Glassco's report features provide withdrawal of the Hydro from outside municipalities and of the Winnipeg Electric from the city; purchase from the company of its distribution system within the city at $1,540,000 and of a block of 50,000 h.p., 25,000 of which will be taken over at once. Sale to the company of the outside distribution system at $320,000, the deal will bring the Hydro $750,000 worth of business a year; will postpone development of Slave Falls until the existing plants on the Winnipeg river are loaded to capacity and will do away with the cut-throat competition now existing. Mr. Glassco told council furthermore the company's business in the city makes a natural corollary to the Hydro's as it is 75 per cent. domestic load, and will under single management make for more economical use of power.

A special committee will study the report and make recommendations to the council.

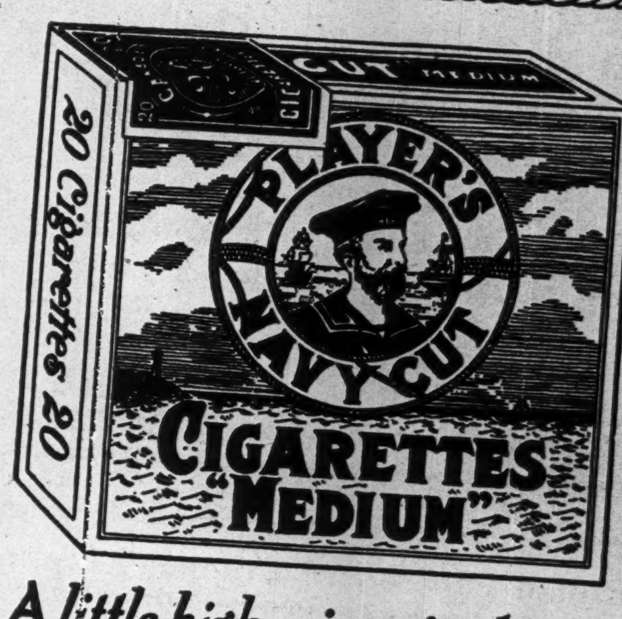
UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Brooks Steamer (1 pref, 2 com.)	3½	5½
Can. Machinery, com	4	7
Can. Machinery, pref	13	17
Canadian Oil, pref	92	95
Can. Westinghouse, com	150	154
Cockshutt Plow, pref	34	36
Cosgrave Brewery	4.75	5.50
Dom. Comb. Mill (1 pref, 2 com)	33	..
Dom. Power, pref	92	95
Durant (A)	3.50	4.50
Durant (B)	4.25	5.25
Durant (C)	5	6
English Electric, pref	47	49
Famous Players, com	10	12.50
Gunns, Ltd., pref	31	34
Imperial Tobacco	6	7.00
King Edward Hotel Deb. A	73	76
King Edward Hotel Deb. B	52	54
K. & S. Tire, pref	7	10
Loew's Toronto, com	27	29
Loew's London, com	1.50	2.25
Loew's Ottawa, pref	12	16
Massey-Harris	58	60
Mount Royal Hotel, com	4.50	5.50
Mount Royal Hotel, pref	35	37
North Mexico Power, com	32.50	35
Manitoba Power, com	20.50	57.00
Rickenbacker Motors	3	4

The Stock Market Record

WEEK ENDING AUGUST 25

	Div. Rate	Yield Aug. 24	High for wk.	Low for wk.	Close Aug. 25	Close Aug. 18	Sales	Range 1925 High	Low
Banks—									
Commerce	12	5.82	206	205	206	206	96	208	195
Dominion	12+1	6.33	206	204	206	204	34	205½	189
Can. Nationale	10	6.66	151	150	150	151	19	151	148
Imperial	12	6.06	199	197½	199	198½	91	200	184
Montreal	12	4.70	255	249	255	248	292	255	240½
Nova Scotia	16	5.70	280	279	279	279	76	279	262
Royal	12	5.04	238	235	238	234½	289	237½	237½
Standard	12	6.55	183	183	183	179½	37	183	170
Toronto	12	5.85	207	205½	207	205	15	221	192¾
Union	8	6.95	115½	115½	115½	115	2	117½	105
Paper—									
Abitibi, com	4	5.88	68½	65½	67¾	65½	3147	75	62
Do. pref	7	6.54	..	..	..	..	..	108	101
Brompton Pulp	..	....	25½	23¾	24	23½	2863	33¾	18½
Laurentide	6	7.22	83¾	81½	81½	81½	4829	87⅞	75
Price Bros.	2	3.84	54	51	51	54	770	55⅞	35⅜
Prov. Paper, com	6	5.76	104	104	104	109	25	111¼	88¾
Do. pref	7	7.07	..	..	..	..	..	102	95
Belgo, com	6	7.22	84	81	83	81	610	87	80¼
Do. pref	7	7.21	97	96	96	95⅞	159	97¼	95½
Smith, Howard, com	..	....	47	43½	45	43½	835	47	21¼
Do. pref	8	7.92	103	100½	100½	102	227	106	69½
Spanish River, com	7	6.54	108½	105	105½	106	3888	111¾	87
Do. pref	7	6.03	117	114¾	116	114¼	2231	127	112½
St. Maurice Paper	6	6.97	86¼	83	84½	82	800	86¼	81¾
Wayagamack	..	....	55	49	52	48	906	55	34½
Steel and Steel Industries—									
B.E. Steel, com	..	....	2	2	2	2	345	3¾	1½
Do. 1st pref	..	....	26	25	26	28	95	34	22
Do. 2nd pref	..	....	7½	7	7½	8	396	11¾	6¾
Can. Car & Found., com	..	....	..	..	..	..	..	..	..
Do. pref	7	8.97	78	78	78	78¼	105	90¼	78
Can. Foundries, com	..	....	..	..	..	..	..	35	20
Do. pref	..	....	40	40	40	40	20	50	40
Can. Locomotive, com	..	....	..	..	..	..	..	71⅞	64
Do. pref	7	8.97	78	78	78	76	7	90	76
Dominion Coal	..	....	40	40	40	40	5	50	40
Dominion Iron, pref	..	....	22	20½	20	20	20	28	20
Dominion Radiator, pref	7	7.00	100½	100	100	100½	200	102½	99¾
Dominion Bridge	4	4.08	98	96¾	98	96¾	1073	99½	77½
Dom. Steel Corp., pref	..	....	..	..	..	..	..	32	24½
N.S. Steel, pref	..	....	..	..	..	..	..	32	24
Ontario Steel, com	4	7.01	57	55	57	57	10	61	48
Do. pref	7	7.07	..	..	..	..	..	100	91½
Steel of Canada, com	7	7.73	92	89	90⅜	89¾	4930	92	75¾
Do. pref	7	6.30	112	111	111	89¾	57	112½	105
Milling—									
Canada Bread, com	4	6.50	62¼	58½	59⅜	58¾	1151	130	39½
Do. pref	7	6.78	..	..	..	..	..	..	..
Do. B. pref	..	....	95	91¾	94¾	92	683	95	85¾
Inter. Milling, pref	7	7.21	98½	97	96¾	98⅜	54	102	97
Lake of Woods, com	12	6.48	185	183	185	182	60	188	176
Do. pref	7	5.60	125	125	125	125	10	125½	121
Maple Leaf, com	..	....	91	88	91	88	258	100	80
Do. pref	7	7.03	100	99	99½	100	65	101	80
Ogilvie Flour, com	3¾	....	180½	171	179½	171	979	180½	80
Do. pref	7	5.55	..	..	..	..	..	127	121½
Shredded Wheat, com	10	6.75	..	..	..	..	..	155	155
St. Law. Flour, com	4	....	31	30	30	30	10	65	20½
Do. pref	7	8.75	..	..	..	..	..	80	75½
West. Can. Flour	8	7.40	..	..	..	..	..	112½	105
Utilities—									
Bell Telephone	8	5.73	140	139	139	140	424	140	133
Consumers Gas	10	5.84	171½	170	170½	172	190	173	164
Laurentide	5	4.63	108	108	108	106	55	108	93¾
Kaministiquia	8	6.83	120	117	120	116	55	125	100
Mackay, com	7	5.34	132	131	132	132½	160	135	114½
Do. pref	4	5.73	69¼	69	69	69	350	69¼	67
Mexican Light, com	..	....	24	23¾	24	22	55	26⅜	22
Do. pref	..	....	..	..	..	..	..	62⅜	57
Mont. L. H. & Pr. Cons.	8	3.79	212	207½	211	207½	8381	212	152
Montreal Telegraph	8	6.83	..	..	..	..	..	50	42
Ottawa L. H. & Pr.	6	5.82	103½	98	103	98	465	105	95
Do. pref	6½	5.96	104⅞	103¾	104⅞	109	13	109	101
Quebec Power, com	5	4.20	119	115	118	115	731	119	85
Do. pref	7	6.30	111	110½	111	110½	78	111	103½
Shawinigan	7	4.01	175	167½	173	168	2475	175	130½
South. Can. Power, com.	1.00	....	80	78	79	78½	157	84	67
Transportation—									
Can. Pacific Rly.	10	6.89	145¼	144¾	145	145¼	316	152¼	37
Can. Steamship, com	..	....	12¾	10½	12½	11	450	13¾	10
Do. pref	..	....	48½	43	47⅞	44	5477	50	42
Tractions—									
Barcelona	..	....	20	20	20	19½	175	24½	18½
Brazilian	4	5.97	67	62¼	65⅜	62⅜	36824	67	49½
Detroit Un. Rly.	..	....	1	1	1	1	4	29	1
Duluth-Superior	..	....	35	33½	35	33½	95	42	33
Illinois Traction, pref	6	6.29	95½	95¼	95¼	95¼	2	95½	90½
Montreal Trams	10	5.40	..	..	..	..	..	187	166
Ottawa Traction	4+1	7.81	64½	64	64½	61	411	65½	61
Porto Rico Rlys., com	..	....	46	46	46	46	25	46⅜	35½
Do. pref	7	7.95	88	88	88	87	11	91¼	84
Quebec Rly.	..	....	..	..	..	..	..	24½	20
Twin City, com	4	6.53	61½	60	60⅜	60	750	70	58
Do. pref	7	7.21	..	..	..	..	..	97	94½
Winnipeg Elec., com	1	....	53	50¼	51	50½	5107	53⅜	35¾
Do. pref	7	7.21	97	97	97	96	55	98	88
Textiles—									
Can. Conn. Cotton, pref.	1	....	..	..	..	..	..	50	39
Can. Converters	7	8.23	86	85	86	86	175	90	80
Can. Cottons, com	8	6.95	115	115	115	118¼	5	120	107½
Do. pref	6	6.31	95½	95	95	95	10	95½	90
Can. Woollens, com	..	....	..	..	..	..	..	14½	5
Do. pref	..	....	..	..	..	..	..	58	40
Dom. Textile, com	5	5.84	86	85	85⅛	85	1231	87	66
Do. pref	7	5.95	117½	117	117	116	34	117½	111
Monarch Knitting, com	..	....	..	..	..	..	..	45	30
Do. pref	..	....	..	..	..	..	..	80	45
Montreal Cotton, com	6	5.82	103	103	103	103	5	103	95
Do. pref	7	6.25	112	112	112	112	6	114½	109
Penmans, com	8	5.06	158	158	158	158	5	166	158
Do. pref	6	5.94	..	..	..	..	..	101	99
Wabasso Cotton	4.00	6.34	63	63	63	61	15	63	55½
General Industrials—									
Amer. Salesbook, com	4.00	8.51	47	47	47	47	30	50½	38
Do. pref	7	7.65	..	..	..	..	..	94	88
Asbestos, com	1	....	74	69	72⅜	70	1610	83¾	35
Do. pref	6	5.86	102½	99¾	101	98½	275	117	73½
Atlantic Sugar, com	..	....	32½	32	32⅜	32⅛	1105	34½	13
Do. pref	..	....	77	77	77	78¼	5	93¼	77
Bird & Son, pref	7	8.40	..	..	..	..	..	83¾	81
B.C. Fishing	..	....	47½	43½	47	44	3393	50	19
Burt, F. N. com	10	4.16	60	58⅜	59¼	60¼	998	63	40
Do. pref	7	3.50	..	..	..	..	..	213	142½
Brantford Cordage, pref	..	....	26½	25⅞	25⅞	26	189	26½	25⅞
Canada Cement, com	6	5.45	110¾	108	109	109	1668	117	90½
Do. pref	7	6.03	117½	116	116	117	123	117½	107
Cons. Rubber, pref	7	8.23	..	..	..	..	..	90	85
Can. Gen. Electric, pref	7	6.48	54	53	54	53½	130	55⅛	53
Can. Indust. Alcohol	1.28	8.00	16	14½	16	14½	8612	20½	14
Canadian Salt	8	5.83	140	137	140	136	15	140	112
Christie Bis., com	..	....	..	..	..	..	..	60½	31½
Do. pref	7	5.93	..	..	..	..	..	118	104¼
City Dairy, com	12	3.41	88	86	88	87	190	90½	65
Do. pref	7	6.48	..	..	..	..	..	110	104½
Crows Nest Coal	3	6.59	45½	45½	45½	46	10	49½	35
Cuban Can. Sugar, com	..	....	6	6	6	5	5	10	5
Do. pref	..	....	32½	32½	32½	32½	10	44½	31
W. Davies	..	....	27	26	27¼	27	150	32	24
Dom. Canners, com	..	....	120	109½	119	109⅜	1604	120	97
Do. pref	7	6.36	110	107½	110	110	117	113	56½
Dom. Glass, com	7	6.42	110	109	109	111	141	116⅞	107
Do. pref	7	6.14	114	114	114	119	3	119	110½
Dominion Stores, com	1.00	....	55¼	54½	54½	52	540	55⅛	24
Do. pref	8	7.76	..	..	..	..	..	104½	97
Dodge Bros.	..	....	..	..	..	..	..	30⅜	22
Do. pref	7	8.53	..	..	..	..	..	84⅛	80½
Eastern Theatres, com	..	....	..	..	..	..	..	15	14
Do. pref	7	9.58	..	..	..	..	..	76	70
Ford Motor	10	....	..	..	..	..	..	512	500
Gilman, com	..	....	..	..	..	..	..	110	100
Do. pref	7	6.30	..	..	..	..	..	111½	100
Goodyear Tire, pref	7	7.60	93	91¼	92	92	360	100½	90
Frontenac Brew., com	..	....	120	120	120	120	297	120	54
Do. pref	7	5.83	120	120	120	120	148	120	100
Holt, Renfrew, pref	7	9.09	..	..	..	..	..	82	65
King Ed. Hotel	..	....	..	..	..	..	..	27	20
Lyall Construction	..	....	22	21	22	21	35	29	11
National Brew., com	..	....	53	52	53	52	4241	68	41¼
Do. pref	7	7.00	100	100	100	100	40	106½	98
National Brick, com	..	....	15	15	15	15	9	18	15
Do. pref	7	8.80	79½	77½	79½	75	595	79½	70
Pacific Burt, com	6	6.61	90¾	90¾	90¾	91½	3	96	90¼
Do. pref	7	6.93	..	..	..	..	..	107	101
Port Hope Sanitary, com	..	....	..	..	..	..	..	75	53
Do. pref	7	7.58	..	..	..	..	..	92½	88⅛
Pure Gold Mfg	50c	....	26½	25½	25¾	26¾	320	27	23¼
Rogers, Wm. A., com	..	....	53	52	53	53	49	65	52
Do. pref	7	7.86	90	90	90	89	10	95	88
Russell Motor, com	..	....	..	..	..	..	..	..	..
Do. pref	7	8.43	83	83	83	81	5	86	74½
Sawyer-Massey, pref	..	....	..	..	..	..	..	15	5
Sherwin-Williams, com	6	4.76	126	125	125	125	25	130	115
Do. pref	7	6.52	108½	107¼	107¼	108½	63	108½	104¼
Sterling Coal	4	9.75	39	39	39	40	25	53	39
Tooke Bros., com	..	....	..	..	..	..	..	8	8
Do. pref	..	....	62	62	62	62	28	62½	37
Tuckett Tobacco, com	4	6.20	64½	64	63	63	75	70	59
Do. pref	7	7.07	99⅜	99	99	100	163	102¼	96¼
Woods Mfg., com	..	....	31⅜	30	31	32	125	33	20
Do. pref	7	10.14	69	69	69	69	10	75	64½
Western Grocers	..	....	..	..	..	..	..	..	..
Trust and Loan—									
Canada Land	10	5.26	..	..	..	..	..	97	80
Can. Permanent	12	5.94	202	202	202	202	7	209	190
Colonial Invest.	6	....	..	..	..	..	..	4¼	4
Hamilton Prov.	10	6.45	..	..	..	..	..	156	154
Huron & Erie	7	5.46	..	..	..	..	..	130	125
Landed Banking	9	6.83	..	..	..	..	..	142	142
Montreal Loan	12+1	6.76	..	..	..	..	..	48	45
National Trust	12	5.42	225	225	225	221½	2	225	210
Ontario Loan	11	5.55	..	..	..	..	..	100	99
Real Estate Loan	7	8.04	..	..	..	..	..	88½	87
Toronto Gen. Trusts	8	5.66	..	..	..	..	..	212	208
Toronto Mortgage	10+1	5.94	91	91	91	91½	2	92	87¼
Union Trust	7	8.28	..	..	..	..	..	85¼	85¼



A little higher in price, but—what a wonderful difference a few cents make

NEWBOLD C. JONES
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BRIAN HEWARD
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JONES, NEWTON & HEWARD
MEMBERS MONTREAL STOCK EXCHANGE
105-106 TRANSPORTATION BUILDING
TELEPHONE MAIN 2411*.

Canadian Light & Power Company of Montreal

1st Mortgage 5's, July 1, 1949

The Directors of this Company have issued a letter to the bondholders, dated July 15th, 1925, which makes it imperative that they unite to protect their interests. Accordingly, the undersigned have agreed to act as a Protective Committee, and urge all holders of these bonds to deposit them immediately with the American Trust Company, 135 Broadway, New York City, which will issue certificates of deposit therefor.

A Deposit Agreement is on file, copies of which may be secured by addressing the Secretary.

HAMILTON PELL, Chairman
W. A. Harriman & Co., Inc., New York.
A. DE S. MENDES
F. J. Lisman & Co., New York
FURMAN S. HOWSON
Rufus Waples & Co., Philadelphia
H. R. SWEET, Secretary
39 Broadway, New York City

DEPOSITARY, American Trust Company, 135 Broadway, New York City.

SIDNEY G. DE KAY, Counsel.
August 24, 1925.

NEW OIL REFINERY

North Vancouver, B. C.—Permits for building a unit of an oil refinery have been taken out by the Vancouver Oil Refinery Co., Ltd. This will make three refineries on Burrard Inlet, as there is already the Imperial Oil at Ioco and the Union Oil at Port Moody.

THE NORTHERN MEXICO POWER AND DEVELOPMENT CO., LTD.
Comparative Statement of Earnings for July, 1925.

	1924	1925	Increase
For July:			
Gross	$59,067	$86,042	$26,975
Net	41,689	66,147	24,458
For Seven Months:			
Gross	383,792	564,806	181,014
Net	285,156	430,211	145,055

MINING STOCK QUOTATIONS

WEEK ENDING AUGUST 25

	Par Value	Div. Rate	Yield	High for wk.	Low for wk.	Close Aug. 25	Close Aug. 18	Sales for wk.	Range 1925 High	Low
Apex	$1	..	..	..	..	..	..	....	4	2
Algonquin	1	..	..	..	..	..	..	..	3	1
Argonaut	1	..	..	31	25¾	30½	25¾	214900	48	22½
Atlas	1	..	..	2¼	2¼	2¼	2⅛	6000	5	2¾
Baldwin	1	..	..	2½	2¼	2½	2½	36900	7	2
Bar. Hollinger	1	..	..	38	37	37	39	2200	50	37
Beaver	1	..	..	34½	33	32½	32½	11000	37	25½
Bidgood	1	..	..	4⅜	4¼	4⅜	5	11500	16¼	4½
Boston Creek	1	..	..	..	..	..	..	....	7	4½
Buckingham	1	..	..	3	2⅜	3	2⅜	3500	5⅜	2¾
Can. Lorrain	1	..	..	45	35	45	38	2200	50	23
Capitol	1	..	..	32½	30	32½	31½	15500	37½	24
Castle Tre.	1	..	..	1.10	94¼	104	94½	59225	1.10	71
Clifton	1	..	..	5	4	4¼	4½	17650	25¼	4
Coniagas	5	5	15.1	1.65	1.55	1.65	1.75	200	2.30	1.45
Coniar'm	.	..	..	..	..	..	..	....	2.45	1.00
Col. Kirkland	1	..	..	3¾	2⅜	3¼	3⅜	834000	10½	2
Cons. Smelters	25	6	1.2	1.22	1.18½	1.19¼	121	5783	1.24	48
Con. W. Dome	1	..	..	14½	13½	14	13¾	59800	22	11
Crown Reserve	1	..	..	16½	16	16	16½	20800	54½	15¼
Davidson C.	1	..	..	3	2½	2½	3½	9500	5	2
Dome Mines	.	2	12.50	14.25	14.15	14.15	14.15	1400	16.50	12.90
Everett	1	..	..	8½	5	7⅜	6	277000	10	4½
Goldale	1	..	..	19¼	16	18	15½	67010	22½	14¾
Gold Reef	1	..	..	1¼	1¼	1¼	1¼	2000	1¼	1
Hattie	1	..	..	¾	⅝	⅝	1	9500	2¾	½
Hattie, pref.	.	..	..	4¾	4½	4¼	4½	12300	67	4¼
Hillcrest, com	.	..	..	..	..	..	..	....	80½	78¾
Hollinger	5	20.80	6.2	15.10	14.85	15.00	14.85	5680	15.65	13.35
Hunton	1	..	..	4¾	4½	4¾	4¾	4000	8½	4½
Indian	1	..	..	5	4¾	4¾	5	4700	17	4
Inspiration	1	..	..	..	..	..	..	....	10	7
I.Nickel, com.	25	..	..	35	33⅜	35	33¾	1681	35	24¾
Keeley	1	24	13.8	1.80	1.74	1.74	1.79	11660	2.32	1.75
Keora	1	..	..	15	14¼	14¾	14½	43850	19½	9
Kirk. Lake	1	..	..	46¼	45	45¼	44¾	104000	50	35
Lakeside	1	..	..	4	4	4	3	1000	15¼	2¾
Lake Shore	1	20+5	3.7	6.45	6.25	6.40	6.30	4580	6.54	4.51
La Rose	1	..	..	45	40¼	44	41¼	11465	55	7½
Lorrain	1	..	..	9¼	8½	8½	9	82400	24	8½
Lorrain T. L.	1	..	..	90	90	90	95	1400	1.34	90
McKinley	1	..	..	23½	21	22	23	30700	44½	15¼
McIntyre	20	20	20	19.45	19.25	19.35	19.25	5710	19.99	16.00
Mining Corp.	5	10	15.00	2.60	2.58	2.60	2.56	3700	3.16	2.35
Moneta	1	..	..	14¾	14½	14¾	14¾	2000	18¼	13
Newray	1	..	..	23	22	23	22½	8000	28½	17
Nipissing	5	12+6	18.9	4.81	4.70	4.71	4.85	2035	6.80	4.65
Night Hawk	1	..	..	..	..	..	..	....	49½	23
Ophir	1	..	..	4¼	3⅜	4⅛	3½	19000	7⅜	3
Paterson Lake	1	..	..	5⅜	5	5¼	5⅞	8200	12	5¾
Porc. Crown	1	..	..	5	3	3	6	1525	8	3½
Premier Gold	1	32	14.8	2.25	2.05	2.20	2.08	12500	2.58	2.00
Preston	1	..	..	7⅜	7¼	7⅜	7¼	14000	12	6¾
Teck Hughes	1	..	..	1.70	1.67	1.70	1.68	28850	1.80	1.23
Thomp. Krist	1	..	..	..	..	..	..	....	3	1
Timiskaming	1	..	..	..	..	..	..	..	30	15
Tough Oakes	1	..	..	40	31¼	40	31½	66500	45	20
Trethewey	1	..	..	..	..	..	..	....	22	16¼
Vickers	1	..	..	..	..	..	..	....	25¼	3
Victory Silver	1	..	..	12	9	10	9	23000	31	5½
Vipond Cons.	1	..	..	1.20	1.16	1.18	1.21	25400	1.42	1.01
Wakenda	1	..	..	1¼	1	1	1¼	2500	3½	1
Wasapika	1	..	..	..	..	..	..	....	3⅜	1
West Tree	1	..	..	2¾	2¼	2⅜	2	4500	5	2
Wettlaufer	1	..	..	4	3½	3½	4	22000	16	3½
Wright-Har.	1	20	8.9	5.15	5.10	5.15	5.15	2030	5.25	4.15
Oil Companies										
B.A. Oil	25	2+2	6.4	39	38	39	38	1866	41¼	36½
Imperial Oil	25	25e	7.3	31½	29¾	31¼	30	1457	34¼	27½
Inter. Pet.	5	25c	.90	28⅜	23	23⅜	22¾	775	28	22¼
Cont. Oil	.	25c	.90	24	22⅜	24	23	482	29	22½
N. Star, pref.	5	7	8.7	4.20	4.20	4.20	4.01	25	4.25	3.90

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Pulp and Paper

REDUCED PRICES SEEN IN EXPORTS OF PULP-PAPER

Month's Exports Show Higher Quantities but Lower Values

From Our Own Correspondent.

MONTREAL.—The exports of pulp and of paper from Canada in the month of July declined somewhat from the previous month, but shows a big increase as compared with July, 1924. During the month 74,314 tons of all forms of pulp were exported as compared with 52,232 tons in July, 1924. The exports of all grades of pulp moved upwards, but the largest increase was mechanical pulp which moved up from 14,783 tons in July, 1924, to 27,540 tons last month.

While the pulp figures show an increase from the corresponding month of the preceding year, the value of the exports of paper for the month fell off. The total value of the paper exported amounted to $8,118,466 as compared with $8,614,350 of the preceding July. The exports of newsprint paper have of course moved upwards, but wrapping and writing paper exports show a considerable drop.

A better indication of the export trend is obtained from the figures which show the exports during the first 7 months of 1925. These figures show that the tonnage of sulphate pulp exported during the current year has remained about the same, while mechanical and sulphite pulp have found wider markets. There were exported 498,417 tons of all forms of pulp, as compared with 407,297 tons in the first seven months of 1924.

As to paper exports, newsprint made a big increase in tonnage during the first seven months of the year, but lower prices are indicated, as the value of the exports did not increase in the same ratio as the tonnage. The exports of wrapping paper are practically the same as in 1924, while book-paper has shown a decided increase in the amount of tonnage going abroad. Writing paper, on the other hand has found contracted markets in other countries. The total value of the paper exported during the year up until the end of July amounted to $59,716,715 as compared with $58,455,630 in 1924—but a slight gain in value when compared with a gain of some 80,000 tons.

For the first 7 months of the year, the exports of pulpwood amounted to 919,018 cords valued at $8,972,358, while for the corresponding month of 1924 the exports were 889,278 cords valued at $8,909,432 which is an increase for this year of $72,926 in value.

Decision by Court Means New Paper Mill

From Our Own Correspondent.

MONTREAL.—This week the action of the Leaside Engineering Company against the Bayless Pulp and Paper Company was dismissed by the courts.

The action arose through an alleged understanding reached last spring between the two companies regarding the acquisition of the Canadian assets of the Bayless Company by the Engineering Company. The Bayless Pulp and Paper Company owns the Beaupré Pulp and Paper Company, and the Ste. Anne Pulp and Paper Company.

The Leaside company claims that an understanding had been reached, whereas the Bayless people argued that only pourparlers had been entered into, and that nothing of a definite nature had been agreed upon.

After negotiating with the Leaside Company, the Bayless Pulp and Paper Company entered into negotiations with the Mead Investment Company, connected with the Spanish River interests, regarding the formation of the company to build a new pulp mill in the vicinity of Beaupre at a cost of about $4,000,000. In other words, the Spanish River interests intended to acquire the Ste. Anne Pulp and Paper Company and the Beaupre Pulp and Paper Company, and, in conjunction with Donohue Brothers, of Murray Bay, it was intended to build a newsprint mill. Donohue Brothers would supply the necessary groundwood, whereas the Mead interests would produce the paper.

The decision means, therefore, that the projected paper mill of the Donohue and the Mead interests will probably become an accomplished fact at Ste. Anne de Beaupré, where adequate electrical power is available from the Laurentian Power Company. However, it is said that the Leaside Engineering Company at Toronto intends taking the case to a higher court. Should this occur, it will probably delay the Donohue project.

At the present time, Donohue Brothers produce 120 tons of mechanical pulp a day. The new paper mill will probably have two newsprint machines.

Newfoundland Paper Mill Commences Production

From Our Own Correspondent.

MONTREAL.—This week marked the official opening of the Newfoundland Pulp and Power Company's new mill at Corner Brook, Newfoundland. The company is owned by the Armstrong Whitworth Company and has a rated production of 400 tons of newsprint each day. The hydro-electric development can produce 225,000 horsepower.

The development commenced two years ago with the Newfoundland and British governments guaranteeing the cost jointly to the extent of $20,000,000. Large bodies of men were employed, and at the Humbermouth, where the main plant was located, the town of Corner Brook was laid out and built. The waters of Grand Lake, 200 square miles in area, were diverted into Deer Lake, and thence into the turbines of the power houses. High tension transmission wires were strung to carry the energy to Corner Brook, where the pulp and paper plant was built.

Construction of Winnipeg Paper Mill May Begin

From Our Own Correspondent.

MONTREAL. — Announcement was made this week that Colonel C. H. L. Jones has been appointed to the board of the Spanish River Pulp and Paper Mills to fill the vacancy created by the death of the late vice-president of the company, Colonel Thomas R. Gibson.

Colonel Jones and G. R. Gray have been elected vice-presidents, with P. B. Wilson there are now three vice-presidents of the company, one for each of three main departments, operation, administration and finance. The announcement was made this week by W. N. Hurlbutt, a prominent member of President George H. Mead's organization. Mr. Hurlbutt left discussion of the company's statement to his chief who will be in Montreal at the end of this week. He said the new paper project of the company at Winnipeg is progressing favorably and that construction might be started this year.

Dominion Glass Will Concentrate Holdings

From Our Own Correspondent.

MONTREAL.—Lately, the Dominion Glass Company has been carrying out a policy of concentration of their properties with the ultimate object of confining their activities to Redcliffe, Hamilton, Wallaceburg and Montreal. To that end it has already disposed of the Parkdale plant in Toronto and equipment in the Delorimier plant will be moved to Wallaceburg where the output can be handled more economically. The Delorimier property will come on the market.

Although sales this year to date have been a trifle off, yet earnings have been much the same as last year with the dividends earned to date. Better business should prevail in the West due to the improved crop conditions and this will mean much to the company, as it will stimulate business there. In its western plants, the company has lower manufacturing costs due to the elimination of heavy coal bills. The expected increase in the western crop, therefore, should be advantageously reflected in the earnings.

There is the possibility that the company may have oil fields lying under some of its western properties, for a group of American oil interests have purchased adjacent properties and propose drilling for the oil. It is understood that these interests would be glad to obtain some of the company's holdings should they come on the market.

SAMPLES TAR SANDS

Edmonton, Alta.—Samples of the Athabasca tar sands in the Fort McMurray district, Alberta, were taken this summer by a federal mining engineer for experimental purposes.

Some Bonus Offerings That Have Made Investors Profits

The growing number of business concerns which have financed their capital requirements by the issue of cumulative preference shares has directed the attention of investors to the attractions of these securities.

Companies having sound and conservatively valued assets exceeding the par value of the preferred capital, and engaged in a type of business showing operating results sufficient to meet at least twice the preferred dividend requirements, are generally highly esteemed.

At the present time, many investors wish higher interest than that prevailing on bonds. In many instances they turn to preferred stocks, paying annual dividends of 7 per cent. and upwards. These dividends are in most cases cumulative prior charges, which must be paid before any disbursements of earnings are made to common shareholders.

Where, in addition common shares are at the time of public offerings of preferred stocks given as a bonus, the preferred shareholders not only receive a high cumulative return but also have an opportunity of participating in future prosperity by the appreciation and dividends of the common shares.

Below is presented a list of securities of well known representative Canadian companies, which were originally sold with a bonus of common shares. In a number of cases, it will be noted that the original investment has more than doubled in market price through the growing prosperity of the companies.

Shareholders, who consider the current value of their original purchase and also take into account the annual dividends on the preferred and common shares, have every reason for satisfaction.

The record of some offerings with a bonus of common stock is:

Date of Offering	Issuing Corporation Type of Security	Original Offering Price	Common Stock Bonus	Total Present Value
1913	Abitibi Pr. & Paper, 7% Cum. Convert. Pref. Shares	95	50%	$270.00
1909	F. N. Burt, 7% Cum. Convert. Pref. Shares	100	20%	282.20
1909	Canada Cement, 7% Cum. Pref. Shares	93	25%	142.94
1900	City Dairy, 7% Cum. Pref. Shares	100	100%	282.00
1910	Maple Leaf Milling, 7% Cum. Pref. Shares	100	25%	120.50
1910	Pacific-Burt, 7% Cum. Convert. Pref. Shares	100	25%	123.75
1911	Sherwin-Williams, 7% Cum. Pref. Shares	95	20%	134.10
1911	Spanish River Paper, 7% Cum. Partic. Pref. Shares	98	25%	139.00
1911	Canada Bread, First Mort. 6% Bonds, 1941	98½	25%	140.62

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Quebec Power Bright Future

MONTREAL.—The common stock of the Quebec Power Company, in touching 118 this week, made an advance of 53 points as compared with the low of 65 which was the prevailing price shortly after the exchange of the Quebec Railway shares had been made. At the new high level, the shareholders are receiving $29.50 per share for their old stock, or $4.50 more than the ruling level for the month prior to the merger proceedings. The low for this year was 86; on this present prices show a gain of some 32 points. This advance makes it quite evident that the common shareholders shortly expect to receive a larger disbursement. Even at these high levels there is but little stock available, and it seems that the 16,000 shares outstanding must be in strong hands.

Substantial Increase in Earnings

A substantial increase in earnings for the current year, and the establishment of the common stock upon a 6 per cent. dividend basis are the predictions made by those who are well posted on the company, and all that the stock market is doing at present is merely recognizing this possibility, as well as future prospects which include the sale of considerable power to pulp and paper projects which it is expected will be built in the neighborhood of the city.

The Quebec Power Company, and the companies it controls, are now the only agencies distributing power for lighting and other industrial purposes in the city of Quebec and the surrounding industrial districts, including the adjacent towns of Limoilou, Charlesburg and Levis. The controlled companies operate a gas production and distribution service in the city of Quebec with a capacity of 1,000,000 cubic feet of gas per day; they also operate a street railway in Quebec and St. Joachin.

The first year in which the new company operated the Quebec utilities was concluded at the end of 1924. Earnings for the first year of the enlarged operations took a big move upwards, and indications for the future point to the fact that this increase should be continued. The company has plenty of power available, and further demands for power which will arise must therefore have a decided effect on earnings.

As most investors find it difficult to recall the exact connection between the Quebec Power Company and its subsidiaries, it would be of interest, therefore, to briefly review the structure of the company. The Shawinigan Water and Power Company owns the majority of common and preferred stocks in the Quebec Power Company, whilst the latter owns over 90 per cent. of the outstanding stock of the Quebec Railway, Light, Heat and Power Company. At the time the Shawinigan interests obtained control of the power distribution in Quebec city, the shareholders of the Quebec Railway, Light, Heat and Power Company were offered one share in the new company for every four shares in the old. This offer was made in the summer of 1923, when the stock was selling around 17. Most of the shareholders of the Quebec Railway, Light, Heat and Power accepted the offer with the consequence that the Quebec Railway Power Company own practically the entire stocks in this subsidiary. The company had other subsidiaries such as the Canadian Electric Light Company, which was later merged with the Quebec Railway Company and the Quebec-Jacques Cartier Electric Company, which is situated on the Jacques Cartier River, and has an installed capacity of 2,000 horsepower. These subsidiaries are being gradually merged in order to simplify the financial structure.

Bondholders to Form Protective Committee

From Our Own Correspondent.

MONTREAL.—A protective committee has been formed to safeguard the interests of the holders of the first mortgage, 5 per cent. bonds of the Canadian Light and Power Company, and the holders of these securities are being urged to deposit their bonds with a New York trust company which will issue certificates for the bonds.

The committee states that such action has been rendered imperative by the letter issued to the bondholders on July 15 by the directors of the company.

It would appear probable that the function of this committee will be the carrying on of negotiations with United Securities interests who are the owners of the company. It is generally thought that the parent concern of this ill-fated project will offer the bondholders other securities in exchange for their bonds. Naturally, any new securities, which might be exchanged, would be more in line with the earning power of the development than is the present issue of bonds, which bears no relation to the total horsepower capacity of the plant at St. Timothee, P.Q.

Barcelona 1925 Earnings Total Near Whole of 1923

Holders of Barcelona 7 per cent. non-cumulative participating preferred got a surprise when it was announced that for the third quarter of the year the quarterly disbursement would be inceased one half per cent. to 1½. The stock has been on a 4 per cent. basis. There is no assurance that the 6 per cent. basis is to be permanent, but the company's action is taken as a reflection of the better earnings and generally all-round better position of this large enterprise.

The acquisition of Union Electrica de Cataluna and Energia Electrica de Cataluna, former competitors of Barcelona enterprises early in 1924, was quite a master stroke. It has enabled the company to employ many economies in operation, and at the same time has been a factor in increasing gross earnings.

Net operating earnings in 1923 were 30,007,015 pesetas, and 1924 34,522,932 pesetas. The first six months of 1925 show a net of 29,131,052, or almost as great as the whole of 1923. At the same time the company is now in a much better position to make the most of its earnings than it was in 1923. In the first place, the great bulk of its capital charges, which in 1923 were subject to the ups and downs of Spanish exchange, has undergone a material change. This has been two-fold. The amount payable in sterling was greatly reduced by the 1924 reorganization of finances and a good part of the funded debt has been replaced by the preferred shares on which the dividend has just been increased. In fact there is a feeling abroad that the company is making an effort to reward those who surrendered their first mortgage bonds for the preferred shares. This increased the preferred shares outstanding to $23,248,900 from $8,483,500. The dividends on these shares at 4 per cent. meant the distribution of $929,956 yearly. On a 6 per cent. basis it will mean $1,394,934. This increase of one-half per cent. for the third quarter of the year adds $116,244.50 to the amount distributed.

Barcelona's 1925 earnings by months with six-month comparative totals follow:

	Gross Pesetas	Net Pesetas
Jan.	7,922,049	5,680,143
Feb.	7,835,622	5,523,912
Mar.	7,328,101	4,281,348
April	7,056,756	4,601,440
Mar.	6,802,421	4,246,730
June	6,633,114	4,026,072
6 mos., 1925 .	43,578,063	29,131,052
6 mos., 1924 .	39,929,452	25,290,944

Chester Says He Still Holds Mosul Oil Rights

The "Chester concessions" are still in the limelight. Admiral Chester of the Ottoman-American Development Company, in a report to the executive committee of that corporation yesterday, declared that the final decision of the League of Nations regarding the boundaries of the Mosul Province would not affect the company's title to the Mosul oil fields. Admiral Chester's claim dates back to 1911, he said. It is admitted that the decision may have some effect on the date when the operations of the concession may begin.

Canadians, including C. A. Barnard of Montreal, and Grant Morden, M.P., of London, Eng., had interests in the company at one time.

What Rail Consolidation Would Mean in Service and Saving

(Continued from page 2)

it follows that earnings on a mileage basis are lower for the Canadian system than for the groups of roads in this country. Continuing the group comparisons above to include earnings and charges on a mileage basis, the following table gives results for last year:

	Canadian system	Class 1 roads	Northwest roads
Gross revenues	$11,636	$25,218	$15,866
Oper. exp. and taxes	10,248	20,649	13,318
Net earnings	1,388	4,559	2,541
Fixed charges	2,329	2,875	2,036
Surp. after chgs....	*943	2,398	992

*Deficit.

"Figures above for the merger system do not include estimated minimum savings. With these included the surplus after charges would be $448 per mile."

Some Possible Savings

The same writer attempts some analysis of the possible savings under a railway merger. He states:

"Slicing of labor costs, particularly operating labor would be the most important item in savings resultant from merger. The Canadian National employs 100,000 and the Canadian Pacific over 60,000. Payroll of the National railways last year (including betterments) was $143,242,026 and the average number of employees 98,875, making the average annual labor cost per employee $1,448. Using the estimate that the two railroad systems comprising over 35,000 miles of road can be operated with about 110,000 instead of the approximately 160,000 now employed, there would be a reduction of $72,400,000 in labor costs on the basis of the average annual pay received by the National employees last year.

"That a decrease in employees of the two systems can be substantial would seem indicated by a comparison with the largest traffic carrying road in the United States. The Pennsylvania Railroad hauled over 2½ times as much revenue freight last year as both Canadian roads and nearly four times as many passengers. To handle its huge business the Pennsylvania is employing about 200,000. Serving a population much larger than that served by the Canadian roads, with more locomotives and freight car equipment and several times more business to handle, the Pennsylvania employs only about 40,000 more than the Canadian roads. Such a comparison is, of course, subject to different operating conditions, but obviously there is a probability of substantial reduction in labor costs on the Canadian roads if merged and operated under a corporate management.

"In practically all the principal cities both Canadian roads have stations. Elimination of a station in each of these cities and in numerous towns throughout the country would doubtless permit discharge of several thousand employees. The station sites could be sold.

"The greatest duplication of facilities is west of Winnipeg and it is in those provinces where most mileage is likely to be abandoned and services reduced. The Canadian National's route from Winnipeg to Vancouver is of a considerably lower grade than the Canadian Pacific's, permitting of much larger train loads being hauled. There would be marked savings by routing as much of the traffic as possible over the National's main western route.

"Duplication of service is most pronounced in Manitoba and Saskatchewan and the savings that would result from the curtailment here of freight and passenger trains together with through trains east and west from Winnipeg would doubtless reach into millions.

"The Canadian government and both Canadian roads maintain immigration offices in this country and the principal countries of Europe. The railroads also have traffic soliciting offices here and abroad. This duplication of advertising costs and effort would at least be halved through a merger. Canadian Pacific's traffic expenses last year were $8,341,350 and the Canadian National's $6,892,751. Of the latter's total $2,435,740 was spent on outside agencies, $1,280,912 on advertising and $770,455 on industrial and immigration bureaus.

In 1924 the National road's general expenses totaled $7,633,834 and the Canadian Pacific's (including taxes) $7,606,274. A consolidation might well result in a reduction of the number of administrative offices and employees from one-third to a half with a saving of several million dollars.

"Some idea of what the two Canadian roads would earn, if merged, is obtained by combining the results of the past two years and allowing for a minimum estimated savings of $50,000,000. The following table shows combined results:

	1924	1923
Average operated operated mileage .	$ 35,928	$ 35,463
Gross.	418,090,339	448,972,587
Maint. of way	71,317,354	75,554,868
Maint. of equipment	80,612,514	86,801,159
Transportation . ..	176,396,774	193,033,023
Total exp. (in. taxes)	$368,207,438	$394,882,837
Less $50,000,000 est. savings	50,000,000	50,000,000
Exp. after merger savings	$318,207,438	$344,882,837
Operating ratio	76.1	76.8
Net earnings	99,822,613	104,089,731
Fixed charges	83,703,034	78,669,976
Sur. after chgs.....	$ 16,119,579	$ 25,419,755
4% pfd. div. on Canadian Pacific	3,993,342	3,993,342
7% guar. div. on Can. Pacific. com. stk..	18,200,000	18,200,000
Deficit after div....	$ 2,090,421	$ *7,219,755

*Surplus.

"Thus with combined operations of the properties last year the government would have had to meet a deficit of only $2,090,421 compared with actual deficit of $54,860,419 incurred from operation of the Canadian National Railways. In 1923, the best Canadian railroad year so far, there would have been a surplus of $7,219,755 after paying preferred dividends on Canadian Pacific's stock and a 7 per cent. dividend on common. This surplus compares with a deficit of $51,697,675 from 1923 operations of the National road. On the assumption that merger savings would equal $75,000,000 or $100,000,000 the deficit from combined operations in 1924 would have been wiped out and dividends of 7 per cent. could have been paid on the $270,229,839 stock of the National road held by the government."

Joint Management Plan

The provisions for management of the combined lines—as contained in the senate plan—is of considerable interest. It is worthy of analysis, since many people hold the opinion that joint management is bound to fail, inasmuch as it does not definitely fix responsibility.

Evidently the senate did not worry greatly about this danger. Evidently it was felt that the presence of five C. P. R. directors on the board, looking after the interests of their shareholders' billion-dollar investment would be sufficient safe-guard against the possibility of political domination of the policies of the enterprise.

The question of maintaining the high individual effort and efficiency that marks the present competitive operation of the two lines is also important. To consolidate the lines and still have force efficiency through every office and every mile of line is no easy task. The safe-guard in this respect seems to lie in the provision for a division of profits between the two lines after the payment of dividends on the agreed-upon capitalization of the two lines.

Consolidation of Canada's railways may come; certainly there is every need to give it immediate, intensive study; perhaps to attempt the experiment.

QUEBEC POWER CONTRACT

MONTREAL.—Last week, the City of Quebec renewed a contract with the Quebec Power Company for the lighting of city streets for a period of 10 years on the understanding that the company will not charge more than 6 cents per kilowatt hour for domestic electricity.

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BRITISH EMPIRE STEEL CORPORATION LIMITED
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News of the Mines for the Investor

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post,

MUCH FAVORABLE NEWS COMES DOWN FROM THE MINES

Excellent Market During Past Week — Kirkland Lake in Limelight

There has been a good mining market during the past week. There is plenty of good news coming down from the north. Where news is lacking, rumors in abundance are available to perk up enthusiasm.

Kirkland Lake is very much in the limelight. The success on Kirkland Lake Gold; the milling plans of Teck-Hughes; the prospective plans towards larger operations on Lake Shore and Wright-Hargreaves, along with the almost certainty that each of these will increase the dividend rate, and with Tough-Oakes-Burnside now on a profitable basis, makes all these issues attractive to the public. All give indications of higher price levels. Tough-Oakes, during the past week got up above the 40 cent mark again, and from information to hand, there are possibilities of the stock doing much better. There are reports that the buying during the week came from England. This is quite possible. English holders must buy on the open market to have stock to speculate with, as the 4,000,000 shares held in England are in the treasury of Kirkland Lake Proprietory.

Castle has had a nice rise during the week to 105. The Post has been constantly recommending this stock. Rumors are about that it was going to take over Everett and also that there would be a 10 per cent. Castle dividend. The Post does not believe either are true: The annual Castle report is being prepared. It will show a promising position with an excellent dividend outlook. At the present level, the stock is to be regarded as high enough for the immediate future.

Keora has turned over its mill on its Calcite Lake property in Gowganda. It should get into production immediately. The outlook is good. There is a couple of years' ore ahead of the mill. The purchase price of the property, $50,000, is to be paid out of earnings, 50-50 until the price is made up.

Porcupine has been rather quiet. Vipond has been claiming the most of the attention. This is another issue that The Post has been recommending. It is now rumored that developments have been such as to warrant going ahead immediately with the mill enlargement plans. Dr. Bell has gone into Quebec. He should have an interesting story on Vipond when he comes back to Toronto. Hollinger, Dome, McIntyre, are all holding their own. Goldale had a spurt recently. Goldale shares will be worth much more than the present market, if Coniaurum works out. Besides, it is negotiating for the sale of a couple of properties that may put considerable cash in its treasury.

British Government Appoints N.S. Coal Commissioner

MONTREAL.—One of the terms under which the British Empire Steel Corporation and its miners signed a contract for the resumption of work provided for the appointment of a commission of inquiry into the Nova Scotia coal industry.

Carrying out the terms of the agreement between the two parties, the Nova Scotia government has asked the British government to name a chairman to head the commission which will inquire into the coal industry in that province.

The policy of a Nova Scotia Coal Commission was incorporated in the Conservative plank at the provincial elections held last June.

The coal strike had been in progress five months when the new government, under Premier E. N. Rhodes, came into power in Nova Scotia and the miners, by a majority of more than 1,100, endorsed the terms set forth in the government's proposal. The proposal covered a six months' contract signed under a wage rate of from 6 to 8 per cent. below that of 1924, and the government was to appoint a commission to make a thorough investigation of the industry. In addition, for the next 12 months the province will refund one-fifth of its coal royalties, and under the direction of a government official a referendum will be held to decide whether or not the "check-off" system of collection of union dues by the company to which the latter objects, will be continued.

Roy Wolvin, the president of "Besco," has definitely stated that the company will make available for the board for their deliberations all the facts in its possession which will assist in reaching a conclusion.

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Canada's Base Metal Production Should be 10 Million Up in 1925

Base metal prices are soaring. Copper, lead and zinc are now bringing prices far in excess of last year. Figuring Canada's base metal production of 1924 at present prices would give an additional return of $6,300,000 additional.

This is not all. The present metal prices have resulted in a much greater activity. Old properties that could not be opened and operated at the low prices are becoming active again. The result is that a much greater output of copper leaf and zinc is to be expected, and Canada's output of these metals in 1925 should be at least $10,000,000 greater.

Taking the 1924 production and figuring it at the present prices, would show the following difference in values:

	1924 value	Value present prices
Copper	13,851,118	15,978,133
Lead	14,405,353	16,893,938
Zinc	6,267,152	7,929,559
	$34,523,623	$40,801,620

Production and price averages for some years back follow:

	Copper lbs. 1923	Copper lbs. 1924	Zinc, lbs. 1923	Zinc, lbs. 1924	Lead, lbs. 1923	Lead, lbs. 1924
British Columbia	55,224,737	65,580,791	60,050,000	95,885,819	99,541,818	168,636,577
Ontario	31,656,800	37,104,356	....	....	4,401,494	5,074,479
Quebec	....	3,665,583	366,240	2,902,848	520,041	1,022,983
Yukon	....	....	....	....	6,771,113	3,022,037
	86,881,537	106,350,730	60,416,240	98,788,667	111,234,466	177,756,076

Price Averages

	1919	1920	1921	1922	1923	1924	Pres.
Copper	18.6	17.4	12.5	13.3	14.4	.13	.15
Lead	05.7	07.9	04.5	05.7	07	.08	.094
Zinc	06.9	07.6	04.6	05.7	06.6	.06	.077

Quebec Seems Assured of Two Big Smelters

While it seems certain that the smelter of Noranda Mines will be located in Rouyn, near the mine, there is every reason to believe that Quebec will have a second smelter in Destor Tp. It is known that other interests have the money available to erect a second smelter just as soon as it is warranted, and judging from the reported finds of copper gold, there seems to be promise of a good future for a customs smelter.

INTER. NICKEL MAY PAY 50c.

International Nickel directors meet Aug. 31. It is believed that a dividend of 50c. will be paid for the first quarter.

PREMIER BRANCHES OUT

Considerable interest is focused on Premier Mines, of Portland Canal. It is now increasing its milling capacity and power development and besides operating its own property, is also developing B. C. Silver in which it has a material interest and also the Bush and "49."

MORE COPPER IN QUEBEC

An important copper-gold discovery is reported on the claims of Argonaut mines in Quebec. Canadian Exploration, a Montreal proposition has also a valuable deposit in Desmelvises. They have zinc as well. This concern has only been in the field a couple of months. It has been intimated that Timmins may take an interest in the venture.

THOMAS GOLD MINE DEAL

Negotiations are being carried on at the present time whereby control of the Thomas Gold Mining Company will pass into the hands of large American mining interests. It is understood that terms have been mutually agreed upon, and in the event of the deal being finally closed, the members of the syndicate, under which the development work has proceeded, will receive cash to the extent of $5 for every $1 put in.

CASTLE EARNED 15c. PER SHARE THIS YEAR

Ore Reserves Added to and Are About 88c. per Share

Castle Trethewey during the past year produced $637,712. Other income brought the total revenue up to $42,281. Costs, including taxes, etc., amounted to $335,450 and after taxes left an operating surplus of $291,867, or 15 cents per share. The surplus forward from 1924 was $114,372, making a total of $406,240. Preferred dividends and other charges when deducted left a surplus of $178,536 or 9 cents per share.

Ore reserves are estimated by R. J. Enis, consulting engineer at 2,540,376 ounces, the average running around 35 ounces to the ton. Taking this at 70 cents an ounce the reserves would work out at about 88 cents per share. The increase is 162,000 ounces in the reserves while the mine produced during the year 1,104,000 ounces.

Mr. Enis says that three important ore shoots have been opened up. Vein 3, 400-ft. level, shows 122 feet of 42.6 ounce silver over 60 inch width. A second in No. 4 vein on the 475 shows 210 ft. of 72.3 ozs. silver over 60 inch width. No. 12 vein on 475 level shows 295 ft. length of 22.5 ozs. silver, and this vein has also opened on the 550 level for 145 feet of 27.5 ounce ore. He says geological conditions are favorable to opening new ore.

CAPITAL SILVER

The financial statement of Capital Silver shows current liabilities of $13,148 and current assets of $7,520. During the year $98,419 was spent on development. Their are 1,850,006 shares out of 4,000,000 issued.

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COPPER CLOSE TO 15 CENTS PER LB.

Long Expected Strengthening Of Price is Now Taking Place

Copper prices seem to be responding to the steady improvement that is taking place in the market. It is within a fraction of 15c. this week.

Entering 1925 surplus stocks of refined metal amounted to 272,868,000 pounds. At the end of last June they were 182,652,000, decrease of over 90,000,000 pounds and smallest surplus since the close of 1919, when metal on hand stood at over 700,000,000 pounds. Notwithstanding 1924 saw the largest consumption of copper for any peace year in history, the price did not advance much until last December. It entered 1925 at under 14¾ cents a pound, only to decline to low of 1925 in April. Until about a month ago it hung around 13½ to 13⅝ cents, yet consumption continued to increase. Recently demand has overtaken output as shown by steadily declining surplus stocks.

Following table shows price of copper compared with surplus stocks:

	Aver. price Refinery	Stock at end period (lbs.)
1925 (6 mos.)	14.87c	182,652,000
1924	13.02	272,868,000
1923	14.61	311,770,000
1922	13.55	298,785,000
1921	12.65	535,936,000
1920	17.50	641,474,000

1925
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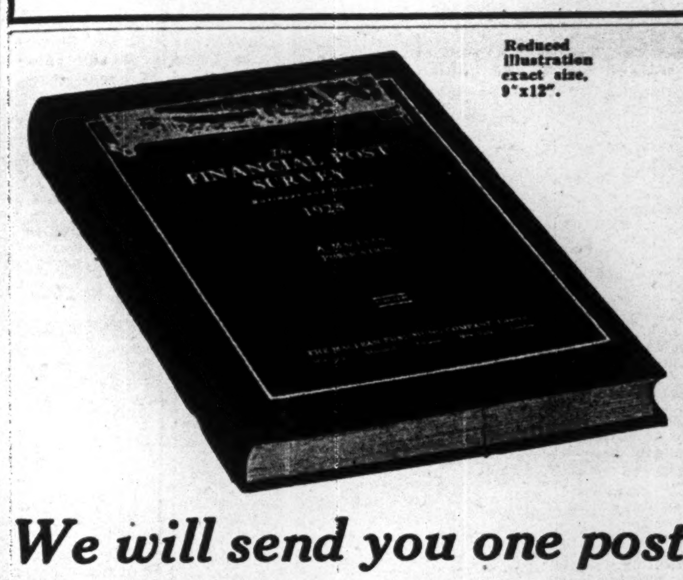

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Current Events in Banking World

ROYAL WILL HAVE NEARLY THOUSAND BRANCH OFFICES

Merger With Union is Effective Next Tuesday

On September 1st the merger of the Union Bank of Canada with the Royal Bank of Canada will be officially effected. Of course, the merger has been in practical operation for some weeks past.

The purchase of the Union Bank of Canada has added another 270 offices to the Royal Bank's original chain of branches in Canada, thus giving the bank a total of over 800 branches in the Dominion and more than 100 abroad. The merger will bring the total assets of the Royal Bank of Canada well over 700 million dollars with deposits of over $600,000,000.

The Royal's foreign branches are established in such countries as Cuba, the British and French West Indies, Haiti, Argentina, Brazil, British Guiana, British Honduras, Costa Rica, Colombia, Peru, Uruguay, Venezuela, as well as in London, New York, Paris and Barcelona.

In a little over fifty years, the Royal Bank of Canada has grown from a purely local bank to an institution of international importance and to-day holds a foremost position amongst the great banks of the world.

The Royal Bank of Canada was incorporated in 1869 as "The Merchants Bank of Halifax." Its name was changed to the present title on January 1, 1901. The head office was transferred from Halifax to Montreal on March 2, 1907.

During the last two decades, a vigorous policy of expansion has been followed. The assets of the Union Bank of Halifax were purchased by the Royal Bank of Canada on November 1, 1910; of the Traders Bank of Canada on September 1, 1912; of the Quebec Bank on January 2, 1917, and of the Northern Crown Bank on July 2, 1918.

The bank's facilities for serving the public in Canada have been greatly increased by the purchase of the Union Bank of Canada, announcement of which was made by the Minister of Finance at Ottawa, on May 22, 1925, and which was unanimously ratified by the shareholders of both banks on July 21. At the meeting of the Royal Bank shareholders held at the head office in Montreal, it was decided to increase the authorized capital of the bank from $25,000,000 to $30,000,000, as it has always been the practice of the bank to keep its authorized capital somewhat higher than its paid-up capital.

The Union Bank of Canada was established in 1865 and has been regarded as particularly a Western bank. Its head office was in Winnipeg and the majority of its branches served the farming sections of the prairie provinces.

Exchange

NEW YORK EXCHANGE

	High	Low	Last Year High	Last Year Low
Aug. 20	x1-16	x1-16	+3-32	1-16
Aug. 21	x1-16	x3-64	+1-16	1-32
Aug. 22	x1-32	x1-32	+1-32	1-32
Aug. 24	x1-32	x1-32	+1-32	1-32
Aug. 25	x1-32	x1-32	+3-64	1-32
Aug. 26	x1-32	x1-32	+1-32	1-64

xDiscount +Premium.

STERLING, FRANCS AND LIRE

	Demand Sterling	Demand Francs	Demand Lire
Aug. 20	4.85¾	4.68¾	3.62½
Aug. 21	4.85¾	4.68¾	3.64¼
Aug. 22	4.85¾	4.69½	3.66
Aug. 24	4.85 7-16	4.70¼	3.75
Aug. 25	4.85¾	4.67½	3.71½
Aug. 26	4.85¾	4.72	3.76

Staff Gossip

Mr. Graham, of the Standard Bank, Whitby, Ont., left for Winnipeg, where he has been transferred. Ray St. John has been installed as junior clerk.

* * *

J. H. McClocklin, manager of the Standard Bank, St. Thomas, who is being transferred to Trenton, and Mrs. McClocklin, were honored with a banquet at the Rocabore Inn, Port Bruce.

* * *

Before leaving Iroquois, Ont., J. F. Gillespie, manager of the branch of the Canadian Bank of Commerce which is being closed, was tendered a complimentary banquet by the business men and citizens, with the reeve, Allen McInnes, occupying the chair. Mr. Gillespie was presented with a club bag.

* * *

J. McArthur, manager of the Port Arthur branch of the Royal Bank, who has been transferred to Thorold, was waited upon by the staff and presented with a silver flower basket filled with gladiolus blooms. The presentation was made by Harvey Scott, accountant.

* * *

Announcement was made by the Bank of Montreal recently that the recent transfer of Jackson Dodds from Winnipeg to New York had been cancelled. Mr. Dodds has been given the appointment of assistant general manager for the western division with headquarters at Winnipeg. H. F. Skey, assistant manager at Winnipeg, has been promoted, to second agent for the bank at New York. J. R. Williams, manager at Regina, will become assistant manager at Winnipeg and H. C. Fraces, inspector for the Province of Alberta, will go to Regina as manager.

The above appointments will, no doubt, be received with considerable interest in the west. The bank's business and organization in the three prairie provinces has grown to such proportions it was evidently considered necessary to have a senior executive official domiciled in Winnipeg, in addition to the divisional superintendents at Winnipeg, Regina and Calgary.

Canada's Dollar System Came Accidentally, Not by Design

In connection with the question of exchange and currency it will be of interest to know that the use of the dollar instead of the pound sterling in this country and in the United States was due to accident rather than design, though for the matter of that the form of currency peculiar to any country has usually been a matter of accident.

This is particularly noticeable in the case of our neighbors and ourselves, because the change came about while the American Colonies were still apparently contented under British rule, and pounds, shillings and pence the legal currency of the country.

In the early part of the eighteenth century the British coinage was in a wretched state, and silver was the standard of value, though gold was also in circulation. Silver as bullion had been rising in value, until the silver in the coins was worth more as metal than the coin itself. This caused the export of these coins in large numbers to other countries where it was profitable to melt them into bars, and sell the metal. There were severe penalties against the practice, but it was no moral crime, and the chances of profit in the business did the rest. What silver coins did remain were only worn with use, or chipped, and these with gold coins (gold was under not over valued), were the only coins in use. Naturally, with a shortage of coin in Great Britain the colonies were even worse off.

Used Spanish Dollars

At that time the trade with the West Indies, which were largely under Spanish control, was the most important trade of the colonies outside that with Great Britain, and in this trade Spanish coins, largely dollars, were the chief medium of exchange. These dollars or pesos, were the old "pieces of eight" of which as boys we used to hear so much in our favorite literature. It was these that the old pirates computed the ransoms of those who did not "walk the plank."

These coins came into general use in the colonies as a matter of convenience, and contracts, even those made by the government, called for payment in the coin in such common use. In other words they gradually became the fashion. The colonists still used the term shilling which was valued at so many to the dollar. This value was different in different colonies. In one it was six and a half, in another seven, and in New York eight to the dollar, hence the term York shilling or twelve and a half cents, which was often heard a few years ago. In California the dollar or peso of eight reals, was divided into four quarters which were generally known as 'two bit' pieces. In the first stages of the gold boom the "two bit" piece was the smallest coin in circulation, and when the ten cent piece was introduced it was known as the "short bit," and the balance the "long bit," in making change.

In Nova Scotia, which came under British rule before the fall of Quebec, a different standard was adopted of 5 shillings or 10 six pences to the dollar. They might, of course, have adopted the same standard as one of the colonies, but were like the "Mackays" in Noah's time, they wanted a boat of their own. This was the old Halifax currency, the ratio of which was $4.44 4/9 to the pound sterling. After the American revolution the feeling in the United States against Great Britain and all her works was so strong that there could have been no chance of copying even the terms of coins from that country and the decimal system was adopted.

In Canada we had become accustomed to the American system of dollars and cents and as we have always had closer trading relation with the United States than with Great Britain, we naturally adopted the system in most general use in the trade we saw most of, as a matter of convenience.

—A.B.B.

A Rush-Day Rescue

There was a much downcast teller in a Toronto branch bank for a little while last Saturday morning. A marked savings receipt came through from the ledger; it was for $150 and he slammed fifteen tens through the wicket and turned to open another bundle of bills. When he turned around, the man at the wicket asked: "Where's my $150?"

The teller had slipped through the money without making certain that the client withdrawing the funds was the first man in the line-up outside his wicket. The first man had happened to be a foreigner who grabbed the $150 and walked out of the bank. His actions appeared quite normal and no one suspected he had picked up another man's money.

It looked bad for the teller because he could not recall the appearance of the foreigner.

However, all came out right in the end. The foreigner proved to be quite honest. He had given the savings ledger a slip to mark and thought it was his money. He did not notice until he got home, he said, that he had $140 too much.

The teller found the foreigner's deposit receipt curled up in the wire where the ledger-keeper had slipped it.

"... And What is Your Mother's Maiden Name?"

The chances of a stranger forging another man's name to a check and getting the money from the teller are very much reduced when he has to tell the man in the cage what his mother's maiden name was. Not that this is often asked by the average teller, but it is one of the safety devices used by the Huron and Erie Mortgage Corporation in its daily business in London, Ontario.

On the sample signature card which all depositors fill in is a space for the maiden name of the mother of the depositor. In this way the office has a check on the individual which is practically foolproof. There is not a chance in a hundred thousand that the man who might forge a name should have a mother with the same maiden name as the man whose signature he is copying.

The assistant manager of the head office branch of the Huron and Erie said that, while there were very few occasions in which the teller was forced to fall back on this means of identification, it was a measure of safety which the company felt necessary in the interests of its customers.

"It is very useful," he said, "where a staff is changing from time to time and where a new teller may not know some of the depositors by sight. It is generally recognized as an almost infallible remedy for misrepresentation, and we would not do without it."

Banks in London, interviewed for the local papers, however, did not attach much importance to this. They simply ask for the signature of the depositor on the cards. They are content to rely on the ability of their staff to tell the difference between genuine and false signatures. They argue that an expert teller can recognize both a genuine signature and a faked one and that if he has any suspicions he can ask whatever questions may be necessary in any case.

METROPOLITAN LIFE

An experienced actuary, W. P. Brenton, F.I.A., had joined recently the personnel of the Canadian head office of the Metropolitan Life Insurance Company. Mr. Brenton, who for many years has been connected with the Prudential Assurance Company, Ltd., of London, England, has a wide experience in actuarial work, and he will devote his attention in co-operation with the executives of the company, to the study of questions of general importance.

The present outlook, indicates that the primary object of his attention will be the industrial insurance branch.

Canadian National Net Much Better This Year

Canadian National Railways' earnings show substantial improvements for seven months operations and fine work by Sir Henry Thornton and the operating staff is indicated.

The gross receipts were $8,934,871, or 6.63 per cent. below the corresponding figure for 1924, but operating expenses were reduced by $11,387,477, or 8.65 per cent., so that the net position stands at $5,667,287, an increase of $2,452,606, or 76.29 per cent., as compared with the first seven months of 1924, and an increase of 84.59 per cent. over the 1923 figures.

The favorable showing that has already been achieved should be accentuated during the balance of the year, as an upward movement of gross earnings is now proceeding.

In the first three weeks of August, 1925, gross earnings have shown an increase of $1,773,594, or 14.5 per cent., as compared with the gross earnings for the first three weeks of 1924.

Summary of results for July:

	1925	1924	Change.
Rev.	20,370,614	19,986,670	x 383,944
Exp.	18,445,673	19,401,419	z 955,746
Net	1,924,941	585,251	1,339,690
Seven months:			
Rev.	125,914,357	134,849,228	x 8,934,871
Exp.	120,247,070	131,634,547	x11,387,477
Net	5,667,287	3,214,681	z 2,452,606

x—Decrease.
z—Increase.

Real Estate Stock Offering to be Made

From Our Own Correspondent.

MONTREAL.—Two months ago work on the new Chateau St. Louis Apartments in the city of Quebec commenced; next week, the preferred stock offering in connection with the project will be made.

The Quebec Apartments are erecting the new Chateau St. Louis apartments and the construction work is being carried out by Anglin-Norcross. The building is to be ready for occupation by May 1, 1926.

Earnest Savard will offer 3,500 shares of 7 per cent. preferred stock next week at par. This stock carries a 35 per cent. bonus of common with it.

CALGARY'S POPULATION

Calgary, Alta.—Calgary's population in 1925, estimated by the city directory, following a careful survey of the city, has been placed at 77,690, according to the 1925 issue which has just been published.

Weekly Bank Clearings

(In comparison with the same week last year)

EASTERN CITIES	Week ending Aug. 21, 1924	Week ending Aug. 20, 1925
Halifax, N.S.	$ 2,857,373	$ 2,590,810
St. John, N.B.	2,259,984	2,192,742
Moncton, N.B.	728,796	738,869
Sherbrooke, Que.	5,193,193	6,006,223
Montreal, Que.	95,840,297	98,762,983
Ottawa, Ont.	6,361,572	6,195,383
Kingston, Ont.	856,392	767,600
Peterboro, Ont.	764,791	708,000
Toronto, Ont.	84,431,846	80,410,360
Hamilton, Ont.	4,935,226	4,652,065
Brantford, Ont.	773,377	872,238
London, Ont.	2,436,487	2,487,26[illegible]
Kitchener, Ont	795,230	937,545
Windsor, Ont.	3,656,875	3,512,69[illegible]
Quebec, Que.	5,194,188	6,006,223
Total	$217,085,627	$216,840,501

WESTERN CITIES	Week ending Aug. 21, 1924	Week ending Aug. 20, 1925
Fort William	$ 773,222	$ 669,333
Winnipeg	40,946,076	40,481,202
Brandon	646,297	726,551
Regina	3,040,125	4,620,585
Moose Jaw	944,659	1,063,100
Saskatoon	1,533,375	1,195,742
Prince Albert	305,858	342,268
Lethbridge	565,877	538,147
Calgary	4,770,731	5,825,327
Edmonton	3,995,123	4,629,585
Medicine Hat	252,551	249,954
New Westminster	621,837	633,366
Vancouver	15,351,824	16,645,721
Victoria	1,907,180	1,956,111
Total	$75,654,235	$79,576,992

TRYING TO AVOID LITIGATION, TWIN CITY FARE FIGHT

Minneapolis Attorney's Recommendation to Council May Meet Opposition

A new effort is being put forth to try and end the fare squabble between Twin City Rapid Transit and the cities of Minneapolis and St. Paul, and bring an end to further extensive litigation which threatens. Minneapolis is ready to compromise. The city's attorney has made such a recommendation. There are two obstacles. One is that St. Paul might not be in a like mood and the company prefers to operate the system as a unit, and the other is that the Warehousing Commission, which placed the valuation on the roads and fixed the fares, wants to fight for its findings and might try and block any concessions to the company on the part of Minneapolis.

The company's experience with the new fare schedule of six cents, if tickets are purchased or 8 cents cash, has given the company an added average revenue increase of $1,000 daily, but the heads of the company complain that this falls far short of expectations and the company's needs. When the commission fixed the rate they intimated that they would expect about 25 per cent. of the fares would be paid in cash which would leave only 75 per cent. of the patrons buying tickets, but the experience to date is that 90 per cent. of the users are buying tickets. The early buying of tickets when the new rates went into force swelled the company's daily receipts to around $55,000, but this has since eased off and is now running $30,000 to $35,000 daily.

St. Paul has made no move to negotiate with the company. It is waiting the outcome of Minneapolis overtures.

Twin City shares have been stationery around 60.

HEAVY DEVELOPMENT COSTS CUT EARNINGS

No Reference in American Cyanamid Report to New Canadian Activities

American Cyanamid, with a Canadian plant at Niagara Falls, and which is reported as associated with contemplated zinc operations in Nova Scotia, shows a fall in profits for the fiscal year ending June 30, though sales showed an increase. The profit reduction is due to the fact that heavy development charges were met by some of the subsidiaries out of earnings.

Net sales for the year amounted to $9,516,215, compared with $8,853,614 in 1924 and net profits on sales of $1,444,175 show a reduction from $1,784,036. After adding miscellaneous income and deducting miscellaneous charges, income taxes and writing $234,887 off patents and licenses, net income for the year stood at $1,140,904, a decrease from $1,447,026. Adding the balance forward from the previous year of $1,039,268 there was available for distribution the sum of $2,189,172. After allowing sundry charges of $2,684, losses on disposal and abandonment of equipment of $7,845, reduction of investment in Amalgamated Phosphate Co. of $500,000, and paying dividends of $731,412, total surplus amounted to $927,232, compared with $1,039,268 at the end of 1924.

The balance sheet indicates total assets of $15,923,813, and current assets of $4,596,382, against current liabilities of $1,154,067. Fixed assets, less reserve for depreciation, are valued at $4,608,966.

The directors in their report make no reference to the company's Canadian plans.

DRASTIC REVISION OF CANADIAN TAX SYSTEMS URGENT

(Continued from page 1)

as an example, are mounting year by year, and will require a greater revenue as the population expands. Canada has been living on the assumption that the increase in population would take care of the tax and debt burden, but this theory should be carefully analyzed in view of the present static nature of our population. The question should be seriously considered by all administrators and tax bodies as to whether or not the present admittedly haphazard system of taxes will take care of the increasing expenditure as well as retiring existing obligations.

Dependence on Special Taxes

The difficulty is clear. The only apparent attempt at a solution is the addition of a myriad of special taxes of one kind and another.

The special tax is directed to take care of the particular piece of work to be undertaken. This is a natural and proper solution of the problem of taking care of special and new demands, but the old demands are also growing at an amazing speed, and it is in the interests of all that a serious attempt should be made to revise and adjust the present taxes to meet the new requirements. The policy of the present government of the United States is to reduce expenditure first, and let the revenue be determined accordingly. This would be an excellent starting point for Canada, and her various taxing jurisdictions.

PLAY SAFE BOTH WAYS

New customer to first trader: "What do you think of the market?"

First trader: "I look for an improvement in business and under such conditions I think it is going up."

New customer to second trader: "What do you think of the market?"

Second trader: "We are likely to have a big expansion in business this fall which means tighter money and under such conditions I think the market is going down."

New customer to broker: "What shall I do? One tells me to sell and the other tells me to buy."

Broker: "Well, under the circumstances, I would copper the advice of both. Sell what one trader tells you to buy and buy what one trader tells you to sell."—Wall Street Journal.

Canadian Manufacturers' Grocery Section Formed

Food specialty manufacturers met in the Toronto office of the Canadian Manufacturers' Association and formed a Grocery Specialty Section of the C. M. A. The officers elected are as follows:

Chairman, T. B. Dundas, Toronto manager, Dominion Glass Company; vice-chairman, John Millar, vice-president, Lever Bros.; executive committee, R. K. McIntosh, vice-president Canadian Postum Cereal Co.; Archie Hutchinson, St. Lawrence Starch Company, Port Credit; W. Leckie, vice-president, E. W. Gillett Co.; Charles T. Miller, Toronto manager T. H. Estabrooks Co., and W. R. Drynan, secretary-treasurer Canadian Canners, Limited.

The organization results chiefly from the work of B. T. Huston, managing editor of Canadian Grocer.

OTTAWA HEARS BUSINESS WANTS EARLY ELECTION

(Continued from page 1)

likely some time this fall. The government has been definitely challenged to try the electoral waters, not only by Mr. Meighen, but by general public opinion, especially in the business world. The cry is strong and is growing stronger that it is time the people had a chance to put in office a government which will govern. The country is tired of a policy of "masterly inactivity." The burdens of taxation and of railway deficits are heavy, and the lack of courage in the administration is proving a crippling handicap to Canadian business. All these things are rousing a powerful wave of opinion that is demanding that the government should submit itself to the people and give them a chance to get their business freed of its shackles. In the face of such a temper in the public it is not thought likely that the prime minister will consider it wise to delay longer his appeal to the electorate.

Good Time for King?

Then there are reasons in the general business conditions of the country which appear to point to the present as a good time for a government to test public opinion. The wheat crop and the promise of a good market for it are the prevailing elements in this situation. There will not be a record-breaking yield on the prairies this harvest, but there will be a good one, and there is likely to be a good price for it. These things are likely to make for better feeling among the farmers, and might conceivably help the Liberals to achieve in the West something of the success scored by Dunning in the provincial field in Saskatchewan. If the Maritime Provinces continue to swing to the Conservative column, a favorable West would be a great boon to the Liberal campaign managers. Prosperity always helps those in office, and that is likely to be the condition of the West this fall, but no one can say that such a condition would repeat itself next year. These are considerations that are close to the mind of the practical politician. and they point pretty strongly to the probability of an election this year.

But it is to the oscillations from the business world that the politician has his ear glued in these days of decision. What he wants to know is what is going on behind the foreheads of the workingmen and working women of the country. When he realizes the widespread character of the demand that is arising for an ending of the present inertia and uncertainty, he will make all possible haste to put himself in line with it. This, after all, is the biggest signpost which points the way to a general election this year. What the business man wants is a chance to do business. He is asking the political leaders of the country to grapple courageously with the big issues that face the country. He wants relief from the heavy railway deficits and the heavy taxes which are nullifying all efforts to bring about a return of prosperity. This is the strongest reason for an election this year, and the politician who has his ear to the ground is rapidly coming to realize its force and its earnestness.

CANADIAN WOOLLENS, LIMITED

Notice of Annual Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of Canadian Woollens, Limited, will be held at the Head Office of the Company, McDonnell Street, Peterboro, Ontario, on Tuesday, the Fifteenth (15th) day of September, 1925, at the hour of 1.30 o'clock in the afternoon (Standard time), for the purpose of receiving the report of the Directors for the past year, for the election of Directors, for the appointment of Auditors, and to transact such other business as may be properly brought before the meeting.

Dated at Peterboro, the 29th day of August, 1925.

WM. TINKER,
Secretary-Treasurer.

The Wabasso Cotton Company, Limited

Dividend No. 31

NOTICE is hereby given that a quarterly Dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of the Company, for the quarter ending 30th September, 1925, payable on the 2nd of October, 1925, to Shareholders of record at the close of business on the 15th of September, 1925.

By Order of the Board,
JAS. R. RITCHIE,
Secretary-Treasurer.

Montreal, P.Q., August 13th, 1925.

THE EASTERN CAR CO., LTD. BONDS.

Notice is hereby given that The Eastern Trust Company, under the provisions of the Mortgage, dated the First day of July, Nineteen Hundred and Twelve (1912), to secure the bonds of The Eastern Car Company Limited, will receive offers at their Halifax Office up to noon on Tuesday, the First day of September, 1925, from persons willing to sell the whole or any part of the bonds of the said THE EASTERN CAR COMPANY, LIMITED, purchasable by the Sinking Fund payment of $18,340.00.

Parties offering to state amount of bonds and price delivered at Halifax.

This Company does not bind itself to accept the lowest or any tender.

THE EASTERN TRUST COMPANY,
Trustee.

Halifax, N.S.,
August 6th, 1925.

TENDERS FOR PULPWOOD AND TIMBER LIMITS

TENDERS WILL BE RECEIVED by the undersigned up to and including the 10th day of September, 1925, for the right to cut pulpwood and such other classes of timber, as the stipulated conditions may require on certain areas situated in the following regions:—

(1) The East and West sides of Lake Nipigon, Thunder Bay District.
(2) The watershed of Kapuskasing River District of Cochrane.
(3) The watershed of Mattagami River, District of Cochrane.
(4) The watershed of Ground Hog River District of Cochrane.

FOR FULL PARTICULARS, as to Terms and Conditions of Tender, and Sale, apply to undersigned.

JAMES LYONS,
Minister of Lands and Forests,
Toronto, Ont.

N.B.—No unauthorized publication of this Notice will be paid for.

Toronto, June 9th. 1925.

Canadian National Railways Quebec Land Grant Lands

TENDERS will be received by the undersigned up to and including 31st August, 1925, for the acquirement of all or any part of the rights to 100,000 acres of railway land grant lands, and the timber thereon, located in the Province of Quebec, earned by subsidiary companies of the Canadian National Railways under various statutes of the Province.

Bidders will make their own selection of lands, specifying the location generally in their tender, and attaching a plan showing such location.

In awarding tenders, consideration will be given to the rail haul revenue to the Canadian National Railways derivable from the forest products on the lands selected.

Terms—ten per cent. (10%) cash or accepted cheque with tender, balance within sixty (60) days on execution of documents transferring the railway rights to the purchaser.

The purchaser will be required to observe all the applicable conditions of the statutes relating to the land grants and conditions contained in the patents from the Crown.

Highest or any tender not necessarily accepted.

Further particulars may be obtained upon application to

W. D. ROBB, Vice-President,
Canadian National Railways,
94 McGill St., Montreal, Que.

Montreal, P.Q., Aug. 1st, 1925.

DOMINION GLASS COMPANY LIMITED

Notice of Dividends

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of September, 1925.

Notice is also hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of September, 1925.

The above dividends are payable on Thursday, the 1st day of October, 1925, to Shareholders of Record at the close of business Tuesday, the 15th day of September, 1925.

By Order of the Board.

MERVYN OFFER,
Comptroller and Secretary.

Montreal, 20th August, 1925.

Lake Shore Mines, Limited

(No Personal Liability)

Dividend No. 22

NOTICE is hereby given that a quarterly dividend of five per cent. on the issued capital stock of the Company will be paid on the 15th day of September, 1925, to shareholders of record at the close of business on the 1st day of September, 1925.

By order of the Board.

Kirkland Securities, Limited,
Secretary.

Dated at Kirkland Lake, Ontario,
August 17, 1925.

The Northern Mexico Power & Development Company, Limited

Dividend Notice

Notice is hereby given that a dividend of 7%, covering one year's accrued dividends to 1st January, 1925, has been declared on the preference shares of the Company, payable on the 1st day of October, 1925, to shareholders of record at the close of business on the 15th day of September, 1925.

T. A. SPOOR, Secretary.

Toronto, August 24th, 1925.

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editorial Director—F. S. CHALMERS
Editor—J. W. TYSON.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, AUGUST 28, 1925

RAILWAY EARNINGS

ONE may congratulate Sir Henry Thornton on the improvement in C.N.R. earnings and at the same time realize that the improvement is only a short step on the way of a solution of the broad government railway problem.

An improvement of $2,500,000 in seven months' earnings is an operating achievement and should receive full recognition as such. But it does not go far in offsetting the continually increasing investment of the Dominion government which now nears two billion dollars and which is growing—according to the senate—by about $100,000,000 annually.

The improvement is not great enough—and probably under present conditions could not be made great enough—to side-track discussion of broader solutions.

AN EARLY ELECTION

BUSINESS men are diffident about publicly expressing opinions on political matters. That is why so little demand has been heard from commercial and financial circles for an early election. But there is no doubt in the minds of business men generally on the subject. They want an immediate election.

One important reason for an early election is the fact that an overhanging election campaign is always a hindrance to new developments. The uncertainty as to the national policies that are likely to follow the holding of the election is a factor that depresses business. Hence, business men do not like delay on such an important question as an election.

Another reason is that there is no decisive power held by the present government. It would be better if those who held the reins of office held such power. A majority of one in the house does not give a government complete confidence and it prevents action on questions that are likely to prove contentious.

The demand for an early election is not a political demand. It is the demand of business.

VALUATING THE C.N.R.

HOW much are Canada's national railways worth? One prominent business leader has stated that they are not worth a dollar, even if Canada were to assume the entire present liability in connection with them. Another equally prominent business leader, who is in a position to make a careful estimate, states that Canada could find a market for the lines at about a third of its present investment. This could be roughly figured at about $600.000,000. The figure seems reasonable, for with improved condiitons and the curtailing of services that are duplicated in one way or another and with savings in other directions, the national lines ought to be able to earn some return on an investment of a few hundred millions.

Sir Joseph Flavelle first suggested a recapitalization of the Canadian National lines on the basis of earning power. Sir Henry Thornton has made similar suggestions. The Senate committee on railways considered it a necessary preliminary to a railway merger.

One thing is certain; Canada does not know what its railways are worth.

ONTARIO'S NARROW ESCAPE

WHOEVER motors along Ontario highways, near the larger centres of population, see much evidence to confirm the good judgment of ex-Premier E. C. Drury in calling a halt to the radial railway construction programme promulgated a few years ago. Motor trucks carry heavy loads of freight from city to city; 'bus lines handle pedestrian traffic and interurban electric lines find traffic hard to get. Grass grows through the steel of the Toronto Eastern line; the Dominion Power and Transmission Company is tearing up tracks from Burlington to Oakville; the City of Toronto is likely to abandon a line from Newmarket to Stromberg. Under present circumstances radial railways are misfits. Yet Ontario came closer to spending $100,000,000 on electric lines than any province ever came to anything without actually carrying out the work. Drury's independent commission, that recommended against the construction, has been roundly condemned on right hand and left, but the few thousand dollars it cost were well spent.

McCREA KEEPS BUSY

ONTARIO'S minister of mines, Hon. Charles McCrea, is outpointing professional Chatauqua lecturers in the number of his appearances throughout the province. He is constantly lecturing on Ontario's mineral possibilities, selling the province's precious metals to the people. He has carried the story of Ontario's mines abroad as well.

This is good work; mineral development is impossible without the publicity that brings capital.

THE WESTWARD FLOW

VANCOUVER hopes to ship 100,000,000 bushels of this year's crop. This would about double the city's previous record in grain shipments. Six years ago Vancouver was not shipping a bushel of grain.

Other cities on the coast will participate in grain shipments as they acquire the necessary facilities.

Thus has the Panama Canal and the awakening of the Orient changed the flow of trade.

MONEY WELL SPENT

EVERY once in a while some Canadian community improves its fire prevention and fire protection facilities and the underwriters grant lower fire insurance rates. In a few months the investment in better equipment has been saved many times.

The advantages of proper fire protection from the one standpoint of lower fire insurance rates are so obvious that it is peculiar that more attention is not given to the subject in Canadian communities. There is need for more and better educational work among municipal councils, community leaders and business men to show the economy of investments in fire apparatus.

ANOTHER FOOLISH IDEA

TORONTO city would be very wise to keep out of the taxi-cab business. This has been proposed by the Toronto Transportation Commission, which evidently considers that it was appointed to get a monopoly of every form of public transportation in Canada's second city.

In Toronto, the movement should be away from the city in business rather than in the direction of more public ownership experiments. At the present time Toronto city carries on the following businesses:

Land development.
Sight seeing 'buses.
Electric power supply.
Tramway.
Meat slaughtering.
Amusement park.
Interurban railways.
Retail stores.

There are probably more, but it is difficult to follow Toronto's many business activities. To date it has kept out of the ferry business, the gas business as well as manufacturing. It has also stayed out of the taxi business and should continue to stay out.

MELLON ON TAXATION

AN AMERICAN writer speaks of Andrew Mellon, secretary of the United States treasury, as the ablest financier since Alexander Hamilton. Certainly. Mellon, who is the head of a half a billion dollars of private enterprises and who has applied business judgment to running the United States treasury, will ever be highly ranked among the financial statesmen of the world.

Mellon insists that taxation is not a political, but rather an economic problem. He declares that tax legislation must be framed in accordance with fiscal conditions. He believes that taxation should be arranged to keep money at work; that taxation should never be a burden.

When taxation becomes burdensome money stops working. Wealthy men do not suffer from heavy taxation so much as ordinary folk. Wealthy men can find a highway of escape in tax-free bonds.

Mellon's philosophy of taxation is applicable to Canada.

EDITORIAL NOTES

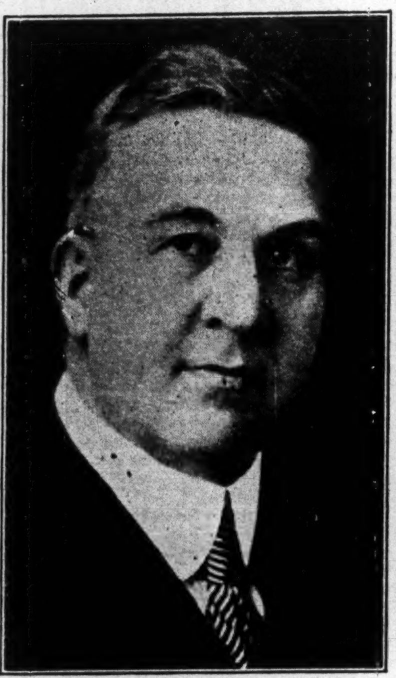
IS FLORIDA booming? The Miami Daily News has just published a 504 page edition, the world's record in newspaper publications. The largest newsprint paper machine in Canada would run day and night for ten days to make the amount of paper used in that one edition.

* * *

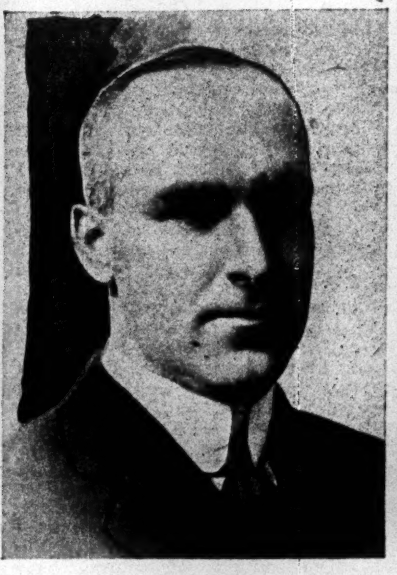
THE GLOBE, Toronto, criticizes The Financial Post's reference to national loafing. It does not consider there is any loafing in a country that is busy producing one of the greatest crops on record. But that same crop of 350,000,000 bushels would grow to a billion if Canada had an immigration policy that would bring us people.

Leading Figures in New Baking Merger

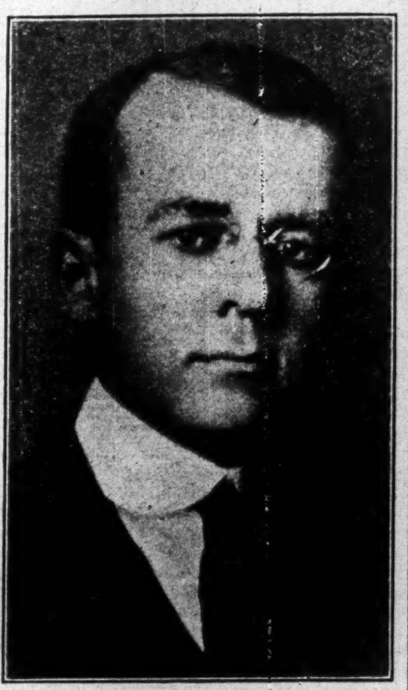
Baking and Milling Leaders Behind Canada's Newest Bakery Chain



W. C. SHELLY.
who has been running Shelly Brothers' bakeries in B.C. and Shelly's Bakeries in Alberta is general manager of Canadian Bakeries. He is a Vancouverite.



JAMES STEWART
President of Maple Leaf Milling Company, who becomes president of Canadian Bakeries. Mr. Stewart lives in Winnipeg.



D. A. CAMPBELL.
General Manager of Maple Leaf Milling Company, who is to be Canadian Bakeries' vice-president. Mr. Campbell's home is in Toronto.

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Dominion Bank Bldg.

Jerry Robinson, Winnipeg Merchant, Is Busy at 84

Has Been Selling Merchandise in the West Since 1878 — Adopted Sound Principles at the Start

By ERNEST A. MOORE.

THERE is a man in Winnipeg whom everybody knows and admires. He is one of the city's oldest citizens and is often pointed to by his friends who know him well as the most successful independent merchant in the city; also as one of Western Canada's really outstanding merchant princes.

This man is Jeremiah Robinson, familiarly known to Winnipeggers as "Jerry" Robinson, proprietor of the department store business under the name of Robinson & Co.

Jerry Robinson came West away back in '78 from Mitchell, Ont., where he had opened a dry goods store after serving his apprenticeship as a clerk in London, Ont. He was born in Quebec, but had gone to London at an early age. Emerson, Man., was the scene of Mr. Robinson's initial business activities in the West and he carried on a successful dry goods business there for four years until he was burned out. He moved his business interests to Winnipeg, then a fast-growing western town. Although this fire may have looked at the time like dire misfortune, succeeding events have shown it opened the way for its victim's big opportunity. It sent him to Winnipeg, where he opened up a small dry goods store in the Dundee Block, Main Street, on the very site where to-day stands his big store, a living monument to his ability, shrewdness and energy.

Chose a Strategic Corner

Perhaps a better site for a retail business could not have been chosen, situated as it is at the corner of Portage and Main Streets, which has been the business heart of Winnipeg since the days of the Red River carts. This is but one of many examples of Jerry Robinson's foresight. For eight years business was limited to dry goods and during that time there was built up a trade any merchant would be proud of. He made quality and service, two good old principles of a well-run business, his business objectives.

Service, in all its branches, has also played its part in building up this business. From the earliest days, the Robinson store has endeavored to be of special service to its customers, whether they purchase house furnishings or only a spool of thread. The attitude has always been taken that the customer is right and every employee is asked to put the purchaser first.

Favored Early Closing

In 1890 larger floor space was needed to house the growing business and so adjacent stores were added to the original site. The walls were taken out, but the posts marking where they stood are still in evidence. In this year a ready-to-wear department was added and in turn grocery, china and house furnishings departments. The Robinson store was one of the first in Western Canada to encourage early closing and in the year 1890 commenced its present laudable policy of closing early. This was the result of Jerry Robinson's thoughtfulness for his employees, whom he has always thoroughly appreciated.

To-day the Robinson business is carried on in the greatly-enlarged premises extending over 160 feet on Main Street, 220 feet on Albert Street and the 300 feet between these two avenues. The building is three stories high. The Robinson store is advertised to feminine Winnipeg as the "Style Show" store as a result of the semi-annual style shows which it holds in conjunction with a local theatre in spring and fall. This is only one of many merchandising features which the store carries on throughout the year. Another is the annual Baby Show, also held in conjunction with a theatre, and at which this year some 984 babies entered.

Cash and Credit, But no Mail Order

The firm carries on a cash and credit business; and has no mail order trade. Mr. Robinson appreciates the small town merchants' problem, for he was one himself once and he believes that his trade is with the people of Winnipeg and its environs.

Although now at the mature age of 84, Jerry Robinson still takes an active part in the business which he has built up; going to the store every day and personally acquainting himself with the hundred and one features of the business. Often he will stand at the head of the four steps leading from the main to the second level on the ground floor, and gaze out toward Main Street, over the heads of the incoming throng, still literally and actually "doing business at the old stand." But what a difference between the store of to-day and the single room, some 25 feet wide and 70 feet deep, that he rented from the owners of the then new and palatial Dundee Block when he first came to Winnipeg.

What a long cry from that little business to the big establishment of to-day, in the ownership and direction of which he still stands, associated with his able sons-in-law, W. P. Moss and Col. J. Y. Reid. But how deserving!

Advertised His Wares Since Before Opening

Jerry Robinson is a great believer in advertising. He ran several announcements in the local press before opening his store and down through the 43 years of his successful merchandising career in Winnipeg he has continuously used space in the daily newspapers. Here is a copy of his first ad:

J. ROBINSON
will
OPEN
In a few days
in the
DUNDEE BLOCK
with a first class stock of
DRY GOODS!

JERRY ROBINSON

This continued for a few days, to be revised thus:

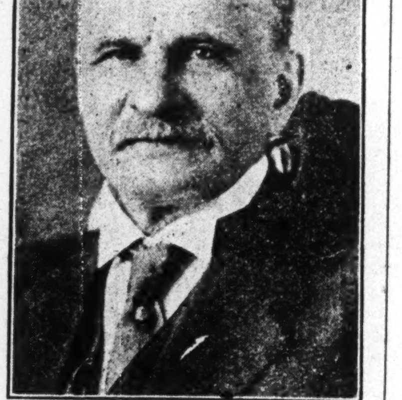
JERRY ROBINSON
Takes pleasure in announcing to the citizens of Winnipeg that he will open his new premises, on Main Street, on
TUESDAY, 11th INST.
when he will be prepared to show them his immense stock of
DRY GOODS

And on his opening day, this:

JERRY ROBINSON
Has Opened with an Immense Stock of Staple and Fancy Dry Goods, Ready-made Clothing and Gent's Furnishings

All Departments Full and Complete, with the Very Latest Styles and Novelties.

Goods Have Been Bought in the Best Home and Foreign Markets for Cash, and Marked to Sell at Prices That Will Suit Everyone.
JERRY ROBINSON
373 Main St.



JEREMIAH ROBINSON,
in business in the West since '78 and who is now 84 years of age. The article herewith was written by Ernest A. Moore, of the Western staff of the MacLean Publishing Company, as one of a series of articles on Canada's leading merchants, appearing in Dry Goods Review.

A Rotarian Who Applies Rotary Maxim to Business

By HECTOR FULLER in "Success."

THE armistice was declared!

Canada, who had given 400,000 of her best young men to the firing line—had raised $350,000,000 by internal and domestic loans—had voted $900,000,000 for war purposes—and had loaned $250,000,000 to the Imperial treasury, heaved a sigh of relief.

But few, even the most optimistic sons of the Dominion, thought that the time had arrived for Canada to come into her own.

One Toronto man, who had earned from his associates and his employees the affectionate title of "the business sport"—Frank Kent—thought differently. At once he started away from the cities—out to the virgin forests reeking with their untouched wealth of oak and birch and spruce and walnut.

Said a prominent Canadian hardwood dealer:

"Any man who buys hardwood at this critical period is a d—— fool!"

That was the opinion of many men in the business, both in the United States and Canada. But Frank Kent has always backed his own judgment. He found everybody willing to sell—so he bought and bought and bought!

Believes in Canada's Future

The reward of his firm belief in the future of Canada is the entire rehabilitation of his company—the ability to pay off all its outstanding bonds—to buy new timber limits to provide raw material for the years to come—to begin a system of profit-sharing for all his employees.

To-day, he is the largest producer of hardwood flooring in the entire British Empire!

Frank Kent takes just pride in the fact that he has built up a Canadian organization which is the largest industry of its kind over which the British flag flies—but this pride is not for his own achievement—it is because he has been able to do his part in the glorification of the industry of the Dominion of which he is so loyal and so useful a citizen.

Like all men who have really accomplished things, this Canadian industrial leader, whose products are shipped to the United States, to England, Australia, South Africa, Egypt, France and South America, is essentially simple in manner—the simplicity and geniality of presence which comes with the utter confidence of aims achieved.

Parents Were Pioneers

This is his story: Born in Bowmanville, forty miles east of Toronto, fifty-nine years ago, his nearly three-score years set lightly on him.

"My parents were British," he tells me, "Canadian pioneers who did their part in timbering and farming to 'clear the road and bridge the ford.' Early orphaned, I was forced to wrest my living from the forests, for upon my shoulders devolved the responsibility for the upkeep of a younger brother and sister. With my axe I hewed a way for them through school. Until the path of life was clear for these youngsters I worked in the bush, cutting and skidding in the dense forests of Bruce County.

When I emerged from my companionship with the native hardwoods I knew so well—the basswood, maple, oak, birch, beech, ash and cedar—(lordly specimens of which now surround and guard my stately home in Hillcrest) it was to become an apprentice in a Toronto furniture factory at $2.50 per week.

"But I knew and believed in hardwood flooring and soon, with a borrowed capital of $100, and hustling for orders on a bicycle through the streets of Toronto, I started into business for myself and have been my own boss ever since."

A Factory at Meaford

Kent's first factory was at Meaford. He chose it because of its fine water-shipping facilities. Here, with ideals of real service based on quality and honest workmanship, and permeated with the aggressive spirit and the courage of its leader, the business began to make itself felt as a real factor in the industrial development of the Dominion.

"Then," he says, "suddenly disaster came. That dread foe of those who deal with timber assailed me and the Meaford factory went up in conflagration with a loss of $100,000."

What a call to renewed battle that was! One can imagine the tight-pursed lips and the determined chin of Frank Kent as he surveyed the expensive ashes. I don't think we need to go into details here—let us merely say that Meaford is rebuilt.

In such fashion does industrial optimism hazard new fortunes on the ruins of the old!

Mr. Kent is a Rotarian and applies Rotary principles to his business.

"It was 'Service before Self,'" he says, "that led me to see that our

(Continued on page 11)

Why Frank Kent Believes in Work

* * * * * * * * *

Among Under-Privileged Boys

BY HIS own choice, because he is deeply interested in the welfare of "the coming race," Mr. Kent is director of the West End Y. M. C. A. and chairman of the Boys' Farm Committee of the Toronto Rotary Club.

"There are no really bad boys," says this keen business executor, who has two fine lads of his own. "There are only boys who are under-privileged and who, for lack of guidance and a real friend, get into mischief. Through the Rotary, we work pretty close with Judge Mott of the Juvenile Court and such of the lads as he deems worthy of a better chance we take hold of. Instead of sending them to prison or to a detention home we take them to the healing of the woods."

Five miles from Toronto is "Opportunity Lookout Camp," peopled with boys from ten to fifteen years of age who are taught the difference between the morals of the city's streets and the ideals of the country, and who are given a real urge toward clean, upstanding manhood. So successful has been this work started by Mr. Kent — and so profitable at making good citizens out of prospective bad ones —that the Ontario government has undertaken the work on a larger scale and is now building a farm-home near Bowmanville, Ontario, that will accommodate between two and three hundred boys.

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LONDON, E.C.2, - - - - - - - - ENG.

Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Penman's

J. J., Quebec.—What is your opinion of Penman's?

Penman's Limited is a well managed company in a sound financial position. The stock market record of this company has been good and sometime in the future it is expected that the stock will be split up and the returns to the shareholders in this way will be augmented. We consider it a good buy.

Vipond

Reader, Quebec.—I am advised by a friend in Timmins who is evidently close to the management to buy Vipond; that it is another Lake Shore. What is your opinion as a speculation or an investment?

We think your friend from Timmins has given you good advice. We have been recommending Vipond as a buy for a hold for considerable time. Its ore is not quite as rich as Lake Shore's but above the average.

Sugar and Bread

F. H. Ontario.—I would appreciate any information you might give me on Atlantic Sugar common stock.

Do you consider it a fair speculation to buy on margin at the present price for a short hold?

Also would you consider Canada Bread common a fair speculation purchased the same way at present price?

Atlantic Sugar at present owes its creditors some $3,000,000. It is hoped that by the end of the present year all the creditors may be induced to accept securities in the company in lieu of their claims.

Should the creditors accept this settlement, it would most certainly move the stock upwards. On the other hand, if only one of the large creditors made some move to collect his debts it might have a bad effect on the stock market prices. At the present time the company is doing well. The export market for sugar has expanded very much during 1925, and although it is said that there is not much profit in this end of the business, yet it keeps the company working at capacity and in this way reduces overhead. The question whether the stock will go up or down really depends on whether the company's debt for raw sugar is funded or not. At the present time the prices have moved upwards due to the better business which has been experienced.

The new common of Canada Bread is well regarded as a speculation. You will do well to study the annual report which will be reviewed at length in The Post, August 28 issue.

B. A. Cobalt Mine Ltd.

G. A. L., Montreal.—I would be glad if you would give me any information re British American Cobalt Mines Ltd., a Toronto company which was operating in 1909. Is the stock of this company now worthless?

The index of Ontario Department of Mines covering the years 1891 to 1916 fails to show any such company as British American Cobalt Mines Ltd. British American Silver Co. is the only name of the kind in a silver mine.

Steel of Canada

Investor, Quebec.—I am considering the purchase of Steel of Canada. What is your opinion of the stock?

Steel of Canada, both common and preferred, are well regarded. At the present time, investment income is about equal to the preferred dividend while total earnings in 1923 were 33 per cent. and 1924, 27.67 common earnings in 1923 were 14.87; 1924, 11.66, with 72 paid. The company's working position is excellent. At 90 the common yields 7.73 and at 111, the preferred yields 6.30.

English Electric

M. H. R., Florida.—Would it be possible for you to give me any data as to the present position and outlook of English Electric of Canada?

English Electric is doing better. At the annual meeting held early in the present month a 2½ per cent. payment was made on the preferred arrers. Gross and net earnings are up and the prospects generally are brighter, especially as the company has entered a couple of new fields that should be productive of considerable business.

The last annual report showed profits of $95,092 as compared with $75,659 for 1923. The working position of the company has also been strengthened.

Echeos of Russell Scott

Reader, Oshawa.—Can you give me any information as to whether Credit Alliance Financial stock is good? This stock was put on the market by the R. T. Scott Co., but I understand it was later amalgamated with Manufacturers Finance.

Shares of Credit Alliance Financial are exchangeable for share of Manufacturers Finance on a share for share basis. The charter of Credit Alliance Financial has been surrendered and the company wound up. The only way the old stock is of value is on the exchange.

Municipal Bankers Bonds

Avonmore.—I hold a block of Municipal Bankers' Bonds, 5¾ per cent., and also some 6's. Do you consider this good security? Are they salable?

Municipal Bankers bonds are well regarded. There is a fair market for them. We should suggest that in the event of you wanting to sell you might get in touch with the company which might be able to put you in touch with a better market or place them for you.

Don Rouyn

E. R. M., Ontario.—Two months ago I bought Don Rouyn at 31 cents, and it is now selling at 25 cents. Should I sell and take my loss or hold?

It is difficult for anyone to predict the market on Rouyn shares which have been fluctuating rather widely. The only point we could make is that the mining market at the present time is rather low and if predictions of a better and more active market for the fall come true, it may be that prices will go higher.

Ontario Steel

J. J., Quebec.—Do you consider Ontario Steel Products a good buy?

The Ontario Steel Products Company is an ably managed concern which was formed to take over two long established businesses, the Gananoque Spring & Axle Company and the D. F. Jones Manufacturing Company.

In 1920 the company put into operation the Central Spring Company at Oshawa which manufactures a high percentage of the springs used in automobiles in this country.

Indications all point to the fact that the business of this concern will show a steadily increasing profit. Of course, shareholders need not expect any immediate increase in the dividend rates.

Three Power Stocks

Quebec Investor.—What is your opinion of Montreal River, Shawinigan and Quebec Power?

Re the three power stocks, Montreal Power, Shawinigan, and Quebec Power you have chosen, these three companies are all closely associated and the future looks bright. At the present time the stock in all three companies is selling very high—perhaps there may be some little reaction. However, if you are purchasing stocks as investments and not for a quick turn, you can safely put them away in your safety deposit box with the practical certainty that as time goes on you will receive an increased return. The securities may easily show the same market enhancement in the future that they have done in the past.

Standard Trust

Sask. Inquirer.—Can you inform us as to the financial position of the Standard Trust Co.?

The Standard Trust Co. has suffered during the past few years from the depression in the West, and the general losses on mortgage investments. These losses have been due more to delayed payments than anything else, and this is no reason to assume that the company will not in time recover much of the ground it has lost. Its earnings record before the war was very satisfactory; the company is very well managed and its position is sound enough to permit of its clearing through such difficulties. Last year about 3 per cent. was earned on the stock, but this, of course, is not sufficient an amount to permit of the safe payment of dividends. We would presume that a conservative policy will be followed by the company in regard to dividends and that these will be withheld for some time.

Brompton

B. S., Ontario.—Your letter in reply to mine in which I made certain inquiries regarding Brompton Pulp and Paper is to hand for which I thank you. Would you be good enough to give me information on one more point? At the special meeting of the shareholders held in 1920, at which the common shares were divided into double the number of no par shares, 70,000 additional shares were created which were in the treasury at the time of the annual report in October, 1920. Can you tell me please if these shares have since been sold by the company, and if so whether they have been sold within the past six or nine months?

At the present time the Brompton Pulp and Paper Company has outstanding 140,000 shares of no par value. The authorized capitalization in no par value commmon shares is 210,000 shares.

In our issue of August 21 there is a long article on Brompton which will interest you.

Maple Leaf Milling

Reader, Montreal.—As a shareholder of Maple Leaf Milling Co. I would like to know how many shares this company has in Canada Bread. I was told that the company had sold most, if not all, of their bread holdings, but I cannot find in any report of Maple Leaf any reference to the sale or what price they got for the shares. Would you let me know this information if possible?

The annual reports of Maple Leaf Milling do not show just what the company's holdings in Canada Bread are. Investments are bulked in the report. However, it has been reported that the holding consisted of 13,000 shares of the old common. This will mean that the company now holds 13,000 of "B" preferred, value $1,296,666 at the present market and drawing $7 per share per annum or $91,000 a year, and 13,000 shares new common, no par, paid as a stock bonus, value 59½ at present market, or $767,000. We doubt very much if a share of this stock has been sold and would suggest that you read our review of Canada Bread published in our issue of Aug. 21.

Alberta Succession Duty Applies Only in Province

Consequently There is no Doubling of the Tax on Alberta Estates—Inducement to Capital to Invest in That Province

For purposes of classification, succession duties of the provinces have been divided into: those applicable only within the province; those applicable in provinces having wide reciprocal arrangements, and therefore little duplication: those in provinces just beginning to make reciprocal agreements, and those where no reciprocal agreements have been made. Alberta's legislation is the only example of the first class, and is dealt with in some detail in this article.

This is the second of a series of articles on succession duties in Canada.

TO PREVENT undue duplication in the succession duties levied upon an estate by the various provinces, three methods have been adopted. The first is to attach no duty whatever to property outside the province. The second is to allow the duty paid on assets outside the province to be deducted from the value of the estate, where no reciprocal arrangement exists. The third is that where another province has entered into a reciprocal arrangement, the duty charged in that other province may be deducted from the duty figured by the province of domicile, as due to it on the whole estate, provided the rate in the other province is not greater than that in the home province.

Alberta stands alone in the first class—placing a succession duty only upon that portion of an estate situated within its own boundaries. This is a matter in which any investor is deeply concerned. The day of indiscriminate investing has passed. The shrewd business man has learned that there are other factors besides actual earning power to be taken into account in building up an estate. He has learned to take note whether his assets are located in a state or province which has a high succession duty—whether, by chance, his estate is so distributed that several of the provinces each take a toll so that at his death, his dependents may suffer a material depletion of their inherited income. No little actual hardship has resulted from such a situation, even in recently probated estates.

Since Alberta's succession duty legislation applies only to property within the province, it may be considered the least complicated. The property of a decedent who had resided in the province of Alberta is subject, when passed on, to a succession duty based on any one, two, or all, of the following considerations:

a. The net value of the property of the deceased;

b. The place of residence of the beneficiary;

c. The degree of, or the absence of kinship of the beneficiary.

In determining the net value of the estate the aggregate value is taken at the time of the death of the deceased, reasonable allowance being made for funeral expenses, and for "bona fide" debts and encumbrances, with certain well-defined exceptions. Where the net value of the property does not exceed $1,000 there is no duty. In the case of property passing to the immediate relatives, such as parents and grandparents, husband, wife, son-in-law, or daughter-in-law, if resident in the province, there is no duty unless the estate exceeds $10,000. In the case of a soldier's property, under similar conditions, there is an exemption of $25,000. In the case of property bequeathed for religious, charitable, or educational purposes, there is exemption up to $2,000 for any one purpose. Insurance which has been taken out for the express purpose of paying the succession duty is exempt to the extent of the duty payable. The rates applicable will be found in the attached table.

Evasion Guarded Against

Special clauses are appended to the act to prevent evasion. Property which has been distributed voluntarily in anticipation of death, and for the purpose of avoiding the succession duty, will become subject to the tax on the death of the giver. Only when such a transfer is a "bona fide" gift, and has been made at least two years before the death of the giver, is it exempt from the succession duty, and then only under certain conditions. Annuities are subject to the duty as is also insurance on the life of the owner of the estate, when the policy was "effected by such person on his life, and was wholly kept up by him for the benefit of an existing or future donee, whether nominee as assignee, or a part of such money in proportion to the premium paid by him, where the policy was partially kept up by him for such benefit." Other clauses are directed to prevent evasion of various forms.

Alberta's succession duty thus applies only to Alberta property, a fact which increases the advantages of investing in this province, and of using it as, or making it, the domicile of capital and of estates. The rates applicable in Alberta follow:

Net Value of Property	Immediate Relative Resident, Per Cent.	Immediate Relative—Non-Resident, Per Cent.	Lineal Descendant, Per Cent.	Any Other Beneficiary, Per Cent.
$ 1,000 to $ 2,000	..	..	1	2
2,000— 3,000	..	..	2	4
3,000— 4,000	..	..	3	6
4,000— 5,000	..	..	4	8
5,000— 10,000	..	½	5	10
10,000— 15,000	½	1	5½	11
15,000— 25,000	1	1½	6	12
25,000— 50,000	2	2½	7½	12½
50,000— 75,000	2½	3	10	14
75,000— 100,000	3½	4	11	15
100,000— 150,000	4½	5	11½	16
150,000— 200,000	5	5½	12	17½
200,000— 300,000	5½	6	12½	20
300,000— 500,00	6½	7	12½	22½
500,000— 750,000	8	8½	12½	25
750,000— 1,000,000	8½	9	12½	27½
1,000,000— 1,500,000	9	10	13	30
1,500,000— 2,000,000	10	11	14	32½
Over 2,000,000	11	12	15	35

*An additional schedule applies where individual shares exceed $25,000.

Why Save Money?

DID you ever sit down and analyze the motives that induce people to save money? What, for instance, are the motives that induce you or could induce you to put away a portion of your earnings with regularity?

Most of the motives when boiled down will form the single essence of power. There is much power in money, power for good and power for evil. It is, perhaps, unfortunate that so much preaching has been done about the evils of riches and so little common-sense talked about the comfort, peace of mind and good works that can result from thrift, saving and investment.

If you ever have occasion to talk saving and investment with some one, talk along the line of the power of money, if you want to find a ready listener.

Money in the bank or in investments gives a man the power to take advantage of business opportunities that must pass by the man who has not saved.

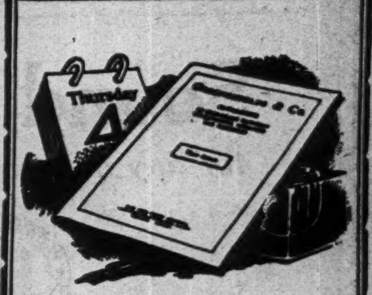
Money gives people the power that was contained in the secret mystery of the magic carpet; to travel the world and see the beauties of other countries.

Money gives people the power to say how their children shall be educated and where they shall be started out in life.

Money gives people the power of buying the comfort and contentment of a good home and good books. It gives men the power of making better friends and women the power of more effective work for others.

Money won't buy your way into the Kingdom of Heaven but, properly used, it will gain you many of the kingdoms of the earth.

And that is the why of thrift.



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Simpson Mail Order Change Given Denial

It is learned from absolutely reliable sources that the sale of the mail order business of the Robert Simpson Co. to a well known wholesale dry goods house is not contemplated. This interpretation was placed by wholesale circles upon the recent appointment of David Gibson as general manager of the company's mail order activities, but it has now been possible to get authoritative information on the rumor and this is to the effect that there is nothing in it whatever.

A ROTARIAN APPLIES MAXIM TO BUSINESS

(Continued from page 10)

employees—many of them have been with me since the very birth of the organization — were entitled to a share of the profits.

"We are all one big family. With many of the men I have worked side by side logging in the bush—practically all of them I know by name. There is no man who cannot enter my office and talk with me at any time and any employee can come in, if he is in trouble, and borrow money without interest to tide him over an emergency.

"And the same idea is back of the pension fund I have established which will enable any employee to return home when his day of usefulness is done and 'toast his shins before the fire.'"

Competition to Buy Puts Best Issues Almost Out of Reach

From Our Own Correspondent

MONTREAL.—Investors are today faced with problems which they have not had to meet for some years. Now, as always, the question is, which security is best to buy? At the present time, the great majority of high grade stocks and bonds offer but little return in excess of the savings bank rate; where then shall the investor find an outlay for his funds which will return him a safe 6 per cent. income.

Insurance companies, savings banks, charitable institutions, universities, and other organizations are always seeking an outlet for their many millions of dollars, and it is clear that the individual investors are meeting competition in search of suitable investments. The result of this situation is seen in the fact that high grade securities are now practically out of reach—that is for investors who require a reasonable return on their money. As a consequence they are forced to seek securities of lower rating.

This has brought the middle grade and even more speculative types of investments to the front, and even these are now rapidly reaching a price level which considerably reduces the yield. In brief, then, the market favors sellers rather than the buyers.

It seems to be established that high grade securities which yield 5 per cent. are the exception at the present time. It is probable that the best available investment opportunity exists in that still fairly large group of middle grade bonds and preferred stocks which yield around 6 per cent. —not excluding from consideration those investment common stocks which, in some instances, are still to be had at fair prices. There are, however, but few of these left.

So the man who needs a return of 6 per cent., generally speaking, must turn to middle grade bonds, sound preferred stocks though not necessarily the highest grading, since these are already selling on a low yield basis, and common stocks which have a good equity in the properties which they represent and which offer an adequate yield, or at least are in a position to increase their return in the near future.

It would seem that the day of high yields on good securities has passed, though probably not forever, since some day conditions will inevitably bring prices down once again. Some investors may care to wait for a decline in security prices, and in the meantime leave their money in the banks or in low yield bonds, whilst others will prefer to take advantage of the current opportunities which appear from time to time.

Odd Amount Bonds Provide Good Opportunities

Frequently we are able to offer a good selection of Odd Amount bonds, mainly unsold balances of earlier issues. These are usually offered at prices that enable investors with only moderate sums to obtain particularly good interest yields.

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News of the Investment Market

Canada Bread Stock, Given as a Bonus Worth Over $150 at To-day's Values

1925 Profits Show New High Record For Year

COMPANY'S RECORD

Stock Values and Earnings Have Shown Years of Steady Advance

IN 1911 the Canada Bread Company was formed. In the prospectus of an issue of bonds made at that time, Mark Bredin, then vice-president and general manager, made this statement: "The common stock which is being distributed in the form of a bonus with the first mortgage bond subscribed for will, with the proposed extensions of the business of the company and the economies consequent upon consolidation, have very much larger earnings behind it, and on its intrinsic merits should steadily increase its value."

Canada Bread is one of the successful mergers of Canada's greatest merger era, and Canada Bread common stock was decidedly a bonus stock which made good on the promises behind it. The present equivalent value of the common stock, that was then given as a bonus, is around $150. To give the common stock its present value many years of excellent management and the re-investment of earnings were necessary.

Started at the Right Time

One reason that Canada Bread has made good has been the fact that it came into being at a time when home baking was passing; when the advance of baking as an industry and the improving status of the housewife combined to make bakers' bread the standard rather than the novelty upon the tables of the nation. It was not long before chains of centrally managed bakeries came into being in purchasing, in formulae and in marketing, centralized management of a large group of bakeries began to demonstrate its advantages. Canada Bread Company was one of the first of the bakery chains of the continent. To-day in the United States the movement is progressing rapidly and General Baking Corporation and the Continental Baking Corporation, among others in the States, have grown up and in Canada the Northern Bakeries and the Canadian Bakeries have added themselves to the chain.

In Canada there were in 1910, 323 plants producing bread, biscuits and confectionery. By 1922 the number of plants had risen to 2,233. It is not possible to segregate the figures relating to the plants turning out bakery products alone in 1910, but in 1923 the number of bakery plants was 1,980 with a total investment of $28,000,000 and turning out products valued at $49,000,000.

Chain Bakery Came

The distinctive feature of this development, as stated, has been the concentration of production in large chain bakery systems. These bakery systems are able to centralize their buying and in that way to effect enormous economies in the purchase of raw material used of which flour is naturally the most important. They have been able to standardize their formulae. A small bakery using the same formula will get different results from day to day, while a large bakery under expert and scientific management can be certain of the same results from the same formula every day. It is chiefly in the element of management that the chain bakeries have proven successful; the best men in buying, the best men in marketing can bring their energies and abilities to bear upon solving the problems of a large number of bakeries instead of a small number.

Control Much of Production

Canada has now two chain bakery systems on a large scale and the third is presently being organized.

Canada Bread Company, Canadian Bakeries and Northern Bakeries between them probably have a combined productive capacity of between 175,000,000 and 200,000,000 loaves per annum.

As the total production of bread in Canada in 1923 was 669,875,000 lbs. in bakeries and as a loaf of bread is equivalent to 1½ lb., it will be seen that these bakeries control about 40 per cent. of the total production of bread in Canada outside of household production.

Modern Machinery's Place

Perfection of modern machinery has made this concentration entirely logical. Large traveling ovens now bake 7,000 loaves of bread an hour, whereas formerly the old type stationery oven baked 360 loaves an hour. Fleets of speedy trucks deliver freshly made bread from strategically located central bakeries to widely scattered distributing points. And with this concentration and development of machinery methods have come all the economies of large scale operation with a particular saving in labor since the loaves are now baked, wrapped and packed without the touch of human hands.

On the Canadian stock market, Canada Bread has been the only representative to date of the baking industry, (limiting the baking industry for the moment to the firms whose chief business is the baking of bread) and it certainly has given a very excellent account of itself in the period that it has been before the investors.

History of Canada Bread

Canada Bread was organized in 1911 and took in the following bakeries:

The Bredin Co., Toronto; George Weston, Toronto; H. C. Tomlin, Toronto; Stuart's, Montreal; and W. J. Boyd, Winnipeg.

It has continued to expand throughout all the years of its history.

In 1912, two small bakeries in Winnipeg, one in Montreal and one in Toronto were added.

In 1913, two more Montreal bakeries and one Winnipeg bakery were taken into the chain.

In 1920, two new branches were purchased; one in Toronto and one in Hamilton.

In 1921, a new plant was erected on Danforth Avenue, Toronto.

In 1924, the Slinn Bread Co., of Ottawa, and Milton's, of Winnipeg, were purchased. Extensions have been made to the plants from time to time in the way of increasing their individual capacity and to-day Canada Bread operate an extensive baking and distributing system in and around Winnipeg, Ottawa, Hamilton, Toronto and Montreal.

In this connection it will be interesting to note that the newest bakery chain to be organized has ten bakeries located in eight western cities: Nanaimo, Victoria, Vancouver, New Westminster, Calgary, Lethbridge, Moose Jaw and Regina. The bakeries do not overlap at any point; they have a certain common interest in the fact that the Maple Leaf Milling interests are closely associated with both.

Profits Have Grown

Canada Bread profits have steadily expanded and reached the high point with the year that closed on June 30, when they totalled $722,237. The securities of the company have shown steady advance with the advance in profits. This advance has been more particularly noticed in the past five years. In 1921, the highest price reached by Canada Bread common stock was 29. This year this common stock was split into two new shares, one of class "B" preferred and one of a no par value common and these together are selling to-day at an equivalent of about 160.

A statement that has just been issued for the 12 months to June 30, 1925, shows substantial improvement over the figures of the previous year. Revenue after bond interest amounted to $722,237 as against $606,597 for the previous year. The preferred profit and loss account for the period follows:

	1925	1924
Revenue after bond int.	$ 722,237	$ 606,597
Int. from inv'st.	13,756	20,791
Bal. July 1	923,103	711,696
Depreciation	$ 195,829	$ 167,929
Bond purchases	12,500	12,500
Income tax	47,499	48,052
Pref. dividend	87,500	87,500
Com. dividend	125,000	100,000
Stock dividend	25,000	....
Balance	1,165,769	923,103
	$1,659,098	$1,339,086

Strong Financial Position

The balance sheet shows a strong position and also contains a record of the reorganization of the capital structure that was recently worked out.

Capital stock outstanding comprises

Continued on page 13)

This is what goes in:

Canadian bakeries in one year use:

2,700,000 barrels of flour.
3,000,000 pounds of malt.
4,600,000 pounds of yeast.
36,500 barrels of salt.
14,100,000 pounds of sugar.
725,000 pounds of butter.
4,450,000 pounds of lard.
5,750,000 pounds of shortening.
105,000 gallons cream.
335,500 gallons of fresh milk.
1,475,000 pounds of condensed milk.
680,000 pounds of powdered milk.
2,415,000 dozen eggs.
3,400,000 pounds of fruit.
200,000 pounds of nuts.
247,500 pounds of glucose.
59,100 gallons of syrups.
103,000 pounds of chocolate.
388,800 pounds of cocoanut.
8,600 pounds of cocoa butter.
$1,421,600 of other materials.

And this comes out:

442,000,000 loaves of bread.
141 tons of fancy biscuits.*
$1,830,027 of buns.
$6,633,323 of pies and cakes.
$70,000 of puddings.
In addition to ice cream, etc.
*In addition to biscuit industry.

"Bread's" Record

Record of Earnings and Dividends

Fiscal Year	Earned on Common	Paid on Common
1916	0.50%	...
1917	1.67%	...
1918	2.29%	2%
1919	deficit	...
1920	3.72%	...
1921	6.60%	...
1922	7.95%	...
1923	14.39%	...
1924	14.42%	4%
1925	15.70%	5%

NEW GROCERY MERGER FINANCING COMPLETED

$1,000,000 Preference Stock to be Sold in Canada and $2,000,000 in Bonds Issued

Details of the financing of the wholesale grocery merger which comprises twenty-four wholesale grocery houses and eleven branches throughout Ontario, have just been completed by the Continental and Commercial Securities Corporation of Chicago. While all of the securities have been taken over by this company, it is understood that at least a portion of the stock will be handled in the Canadian market by R. A. Daly and Co., of Toronto.

The financing of the new company which is called the National Grocers Company, Ltd., consisted of $2,000,000 seven year notes yielding 6½ per cent. and having no preference over other trade creditors, and $1,000,000 first preference shares yielding 8 per cent. This first preference stock, it is understood, will be sold in Canada by Daly Co. The second preference stock, of which there is $2,787,000 issued was used to reimburse those several companies which entered the merger. Common stock of no par value to a total of 292,000 shares was issued also. The terms on which the new stock is to be sold to the public have not yet been announced.

It is stated that the main advantage of the merger will be the benefit of large-scale buying, and economies of distribution.

National Grocers Buy Out H. P. Eckardt & Co.

About the first big stroke of business done by the National Grocers Company—the name by which the new Ontario grocery merger is known—was to purchase outright the long-established business of H. P. Eckardt & Co., of Toronto. This business deal was put through at the end of last week shortly after Mr. Eckardt returned from a trip to Florida, where he has a number of large real estate interests. It is understood that it was a cash transaction. This purchase means that the business of H. P. Eckardt & Co., which was organized in 1887, passes out on the 31st day of August and removes from the annals of Ontario grocery history a name that has long been connected with a successful enterprise.

Since a week ago, a number of appointments have been made. John Medland, of Medland Bros., is appointed vice-president, and will be in charge of purchases. Thomas H. Kinnear, of T. Kinnear & Co., is also a vice-president, and is in charge of service to retailers. The sales manager is A. H. Simpson, of the Simpson Co., Guelph, and H. L. McNally of National Grocers, Ltd., North Bay, is assistant sales manager. The office manager is Douglas H. Eby, of Eby-Blain, Limited, Toronto. As previously announced, Archie Foster is the president, Marland Woolnough, the man who organized the merger, is chairman of the board, and Arthur C. Pyke is secretary-treasurer.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	101	102
Alabama 5% 1962	..	..
Algoma Steel 5% 1962	29	31½
Belding 5% 1936	87	..
Belgo Can. Paper 6% 1943	100¼	..
Brandram-Henderson 5% 1939	87	89
Burns P. & Co. 6½% 1943	100¼	102¼
Can. National Rly. 5% 1954	100¼	101¼
Calgary Brewing 5% 1942	83½	..
Can. Steamship Lines 7% 1942	99¾	100¼
Can. Light & Power 5% 1949	37½	38
Can. Pacific Rly. 5% 1934	99¼	100
Can. Steel Foundries 6% 1936	100	..
Dom. Iron 5% 1939	46	64
Dom. Power 5% 1932	96	97
Dom. Textile 6% 1949	106	..
East Koot. Power 7% 1942	101	102
Frontenac Brewing 6% 1951	..	..
H. Smith Paper 6% 1934	..	..
Lake Sup. Paper 6% 1941	105	..
Laurentide Power 5% 1946	101½	..
Laurentian Power 6% 1936	99½	..
Maple Leaf Milling 6½% 1943	104	..
Man. Power 7% 1941	103	103¾
Mattagami 7% 1949	..	..
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100	..
Nor. Ont. Power 6½% 1931	97¾	98½
Ontario Pulp 6% 1931	106	..
Price Bros. 6% 1943	99½	100¼
Quebec Power 6% 1953	102¼	103
South Canada Power 6% 1948	103½	104

QUEBEC SOUTHERN POWER

6½% FIRST MORTGAGE and Collateral Trust Sinking Fund Gold BONDS Due May 1st, 1945

¶ "The immediate and ultimate market for power" is one of the important safety tests of public utility bonds, from the investor's standpoint.

¶ The Quebec Southern Power Corporation serves a populous and rich district having a good present market which is developing with an amazing degree of steadiness and certainty.

¶ We recommend these bonds for safe investment and will be pleased to send descriptive circular and map on request.

Price: 100 and interest to yield 6½%.

Bonus of two shares of common stock with each $1,000 bond.

Browne, Urquhart & Co.
Limited
180 St. James St. Montreal
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Bond Salesman

An excellent opportunity with a very reliable firm is available for a high-grade bond salesman who can furnish references, and one who has a proven record of production. Not a Toronto firm. Replies held in confidence.

Box 550, Financial Post
Toronto, Ont.

BOND MOVEMENTS OF THE WEEK
WEEK ENDING AUGUST 25

BONDS	Int. Rate	Due Year	Yield	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos	5	1942	5.64	83½	73	99	80¼	93	—	93	91½
Can. Car	6	1939	5.89	102½	99	103	102	—	—	101	—
Can. Cement	6	1929	5.43	103½	100	103¼	101	—	100	102½	102¼
Can. Felt	6	1940	6.31	97½	97½	98½	97	—	97	97	—
Can. S.S. Lines	5	1943	6.96	80	72	81	77	—	79½	80¼	—
Mex. Elec.	5	1935	9.61	—	—	—	—	55	53	52¾	52
Mex. Power	5	1933	8.06	—	—	—	—	62¾	62½	62½	62
Mont. Tram	5	1941	5.28	95½	91	98¾	93	—	—	97¼	96¾
Ogilvie	6	1932	5.14	104½	101½	105	104	—	—	105	—
Que. Rly.	5	1939	5.62	91	80	98	89¾	—	94	94¼	94
Steel Co. of Can.	6	1940	5.55	103½	103	105⅝	104	104½	—	104¾	—
Wabasso Cotton	6	1947	6.21	96⅛	90¼	96½	92	—	—	97½	—
Wayagamack	6	1951	6.82	86	74	98¾	84¾	89⅞	—	90	87¾
Win. Elec.	5	1935	5.79	91½	85¼	95½	92½	—	93¼	94½	—
War Loan	5	1925	5.00	100.95	100.15	101.15	99.80	100.25	100.15	100.00	99.85
Do.	5	1931	4.61	102.45	100.60	102.65	101.00	102.15	102.05	102.45	102.00
Do.	5	1937	4.51	103.85	102.60	104.95	103.80	104.55	104.45	104.65	104.30
Victory Loan	5½	1927	4.18	103.05	102.05	103.15	102.05	102.40	102.30	102.50	102.15
Do.	5½	1933	4.66	100.70	100.30	107.00	105.40	105.80	105.70	105.85	105.40
Do.	5½	1934	4.94	104.70	102.85	104.75	103.20	104.00	103.85	104.15	103.90
Do.	5½	1937	4.57	108.90	106.15	110.00	108.35	108.75	108.60	108.85	108.35
Do. Renewal	5½	1927	4.96	102.70	101.10	102.95	101.20	101.60	101.50	101.70	101.20
Do. "	5½	1932	4.98	103.90	102.10	104.20	102.85	103.25	103.15	103.35	103.00
Do. Refund	5	1928	5.00	100.85	99.40	101.45	100.15	100.55	100.40	100.59	100.30
Do. "	5	1943	4.83	102.85	99.00	102.90	101.15	101.95	101.85	102.05	101.85
Do. "	4½	1944	4.70	97.15	97.00	97.75	95.05	—	—	97.75	97.40

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New Issue

Kingdom of Denmark

5½% External Loan Gold Bonds

Dated Aug. 1, 1925. Due Aug. 1, 1955.

Principal and semi-annual interest (1st Feb. and Aug.) payable in New York at the Guaranty Trust Company of New York in United States gold coin of or equal to the present standard of weight and fineness without deduction for any tax or taxes now or hereafter imposed by the Kingdom of Denmark.

Denominations $1,000 and $500.
Not redeemable prior to Aug. 1, 1930.

Redeemable for the Sinking Fund, or at the option of the Kingdom of Denmark as a whole or in part, on August 1, 1930, or on any interest date thereafter on three months' notice at par and accrued interest.

The Kingdom of Denmark has an area of 16,609 square miles, a population of 3,377,000 and a debt per capita of $90 at parity of exchange. It is an important agricultural and industrial country. The wealth of Denmark at parity of exchange was estimated in 1924 at $5,360,000,000 or about 17 times the present national debt.

PRICE: 99½ and interest, to yield over 5½% to maturity.

Gairdner, Clarke & Co.

312 Bay Street, Toronto — Telephone El. 2301

Canada Bread Stock, Worth Over $150 at To-day's Values

(Continued from page 12)

$1,250,000 first preferred shares and $2,500,000 Class "B" preferred shares. Land, buildings, equipment, etc., are shown at $6,682,764, as against $6,338,-245. Cash in banks on current account stands at $241,371, as compared with $187,127. Accounts receivable at $201,-767, compare with $173,472. Inventories are practically unchanged at $146,800, as against $146,811. Investments are carried at $168,311, as compared with $174,122. Current liability account shows a corresponding improvement standing at $180,326, as against $238,269. Accounts owing to trade creditors are carried at $146,345, against $209,765. Wages are shown at $16,654, and tickets outstanding $17,326. Surplus and reserves now total $1,659,098, as against $1,339,086. Depreciation reserve now stands at $937,451, general reserve $177,-587, and contingency reserve $100,000.

Despite the present high price of Canada Bread shares on the market, there is still a healthy interest in the stock among investors who are only now realizing the strong position in which the bakery interests in general, and Canada Bread in particular, have put themselves. Bakeries have many advantages, they have a fairly steady market for their product in good times and bad, they are able to operate at a very small margin of profit, the profit on a loaf of bread being but a fraction of a cent, they have practically no inventory losses to take, they turn over their capital every day and the working capital required is not high.

Rise of "Bread" Shares

HighYear	Common Low	Common High	Preferred Low	Preferred High
1914	33	18½	92	89½
1915	31⅜	30	90¼	90
1916	30	16½	90	87
1917	20	13	86½	80
1918	24⅛	16	83¼	83¼
1819	33	18	85	78
1920	32½	19	86½	84
1921	29	16½	88	85
1922	56	25¾	97	87
1923	66¾	52	95	90
1924	105	63	125	88⅛
1925	130	101	107¼	100

Stock Split-up in June
(Record since split)

	New Common H.	New Common L.	1st Pref. H.	1st Pref. L.	"B" Pref. H.	"B" Pref. L.
1925	62	39¾	103⅞	103⅛	94¾	85¾

Canada Bread's Record of Progress

Income Account, Years Ended June 30

	Manuf'g Profit $	Bank Int. Earned, etc. $	Total Income $	Bond Interest $	Pfd. Divids. $	Com. Divids $	Res. for Depreciation $	Other Reserves $	Surplus for year $
1915	287,195	11,530	298,725	72,235	87,500	......	*60,000	†40,700	(d) 38,290
1916	223,772	10,579	234,351	71,821	87,500	......	50,000	†12,500	12,530
1917	249,107	13,705	262,812	71,028	87,500	......	50,000	†12,522	41,762
1918	243,272	20,434	263,706	68,938	87,500	50,000	37,500	‡14,000	5,768
1919	176,208	19,944	196,152	67,989	87,500	......	50,000	950	(d) 10,287
1920	293,882	16,237	310,119	67,200	87,500	......	50,000	**36,543	68,876
1921	......	17,953	††325,075	.....	87,500	......	60,000	**27,787	149,789
1922	......	14,860	††413,814	.....	87,500	......	115,000	**54,740	156,574
1923	......	22,200	††585,819	.....	87,500	......	126,000	**139,279	233,040
1924	......	20,791	†606,597	.....	87,500	100,000	167,929	**60,552	211,412
1925	......	13,756	†722,237	.....	87,500	125,000	195,829	**59,999	242,666

In 1925 $25,000 stock dividend was also paid.

* Including $10,000 patent rights, etc., written off. † Reserve for bond redemption. ‡ Of which $12,500 was reserved for bond redemption and $1,500 was patriotic and war donations. ** Of which $12,500 was reserved for bond redemption, $10,214 for depreciation on war bonds and $13,829 for 1918 profits tax in 1920; $12,500 for bond redemption and $15,287 for income tax (1919 to 1920) in 1921; $12,500 for bond purchases and $42,240 for income tax (1919 to 1921) in 1922; $12,500 for bond purchases, $26,779 for income tax and $100,000 for contingency reserve in 1923; $12,500 for bond purchases and $48,052 for income tax in 1924; and $12,500 for bond purchases and $47,499 for income tax in 1925.

BAKERY MERGER WILL EFFECT VAST SAVING

Considered Part of Larger Movement to Unite Entire Industry

Negotiations have been almost completed in connection with the huge merger of Western Canada bakeries into Canadian Bakeries, Limited, of which James Stewart, head of the Maple Leaf Milling Company, has been appointed president. It is stated that the firms entering the merger have taken collectively nearly $1,000,-000 worth of the stock of the new company, and that a bond issue not exceeding $800,000 will be made. In addition there will be an offering of $1,000,000 in cumulative preferred stock which is to be sold by A. E. Ames and Co., of Toronto.

Underlying the whole bakery merging movement are economies in buying and in production which cannot be equalled by the smaller concerns.

It is only natural under such conditions that the amount of home baking done is declining each year, but there is still a large volume carried on. It was recently estimated by The Financial Post that out of a total Canadian consumption of 1,724,000,000 pounds of flour. in 1923-24, 936,000,000 pounds was used for consumption in the homes. There is every indication, however, that the amount used in this way is declining rapidly. A study of the situation shows that home baking, lacking the advantages of mass production and scientific processes, is highly uneconomic from every standpoint. With the growth of rural delivery and other facilities of distribution, the market for "bakers' bread" will widen rapidly.

There is also the economy made possible by buying flour in large volume for a large number of concerns. A more careful study of the situation is possible as well as better terms and less speculative risk in the case of buying raw materials.

CITY OF OTTAWA BONDS SOLD

One of the latest bond deals in Canada is the recent purchase from Messrs. Bell, Gouinlock & Co., of Toronto, by the Metropolitan Life Insurance Co. of $50,000 city of Ottawa 4 per cent. bonds issued to pay the cost of the city's share of building the subway under Bank St. These bonds were brought out in 1909, and the Metropolitan owns the entire issue.

This Week's Bond Sales

GRANBY BONDS

An issue of $250,000, 5 per cent., thirty-year serial bonds of the Town of Granby were sold this week to Hanson Bros., at a price of 99.315. Six other bids were made.

Mead & Co.	99.28
McLeod, Young, Weir & Co.	99.17
Wood, Gundy & Co.	98.70
Rene Leclerc, Inc.	98.50
A. E. Ames & Co., and Dom. Secs. Corporation	97.566

ETOBICOKE BONDS SOLD

Two blocks of Etobicoke Township 5 per cent. school debentures aggregating $69,500, were sold this week to C. H. Burgess and Co., of Toronto. The total comprised $14,500 twenty-year and $55,000 thirty-year bonds. The successful bid was 99.46. Other bids were:

H. R. Bain	99.45
Matthews & Co.	99.33
Fry, Mills, Spence	99.371
Bell, Gouinlock	99.14
A. E. Ames & Co.	99.29
Cochran, Hay & Co.	99.31
Dyment, Anderson	99.03
Gairdner, Clarke	98.372
McLeod, Young, Weir	99.10
Pynchon & Co.	98.90
Wood, Gundy & Co.	99.08

LANARK COUNTY BONDS

A total bond issue aggregating $87,000 was awarded this week by the County of Lanark, to Matthews & Co. at a price of 99.83. The issue comprises $25,000, 5½ per cent., 20-instalment bonds; $50,000, 5 per cent., 20-instalments, and $12,000, 5 per cent., 15 instalments. Other bids were:

Gairdner, Clarke	99.732
H. R. Bain	99.76
Fry, Mills, Spence	99.631
Wood, Gundy & Co.	99.61
Macneill, Graham	99.65
Bell, Gouinlock	99.52
Burgess & Co.	99.27
A. E. Ames & Co.	99.05
McLeod, Young, Weir	99.38

Municipal and Provincial Finance

SINKING FUNDS OF ALBERTA CITIES $6,000,000 SHORT

Annual Municipal Report Shows Lower Bonded Indebtedness

One of the leading features of interest in the current annual report of the municipalities of the Province of Alberta is the working of last year's amendment to the Municipal District Act, which requires a general quinquennial assessment of all assessable lands in each municipality during 1924. An accurate detailed description of all lands in the province is thus being compiled and although all districts have not yet responded, it is expected that a much more complete statement and description of all lands will shortly be available. In some sections of the province where the crops were not a success, this, as well as other public undertakings have fallen behind.

As a consequence of the varying crop conditions, the levy of taxes has fallen behind in some sections. The department shows a smaller gross collection of taxes than for 1923, but this arises largely from the fact that in 1923 a special effort was made to pay up arrears in order to have procedure under the Tax Recovery Act withdrawn.

As a result largely of the lapse of collections under the Mineral Taxation Act, which the Dominion Government recently declared to be "ultra vires," the receipts of the department have fallen short of the estimates by more than $500.219. The amount of collections by the department on account of provincial revenues for the year 1924 amounted to $2,332.534 as compared with $2.328.631 in 1923 and $2,080.249 in 1922. The Tax Recovery Act has been successful in the collection of school arrears to the amount of $215.987 which, following the collection of $346.917 in 1923 has reduced the outstanding arrears in this respect very materially.

Bond Indebtedness Reduced —

Out of 169 municipal districts in the province, only eight have outstanding debenture indebtedness, and the aggregate of this amounts to only $61,-000. All debenture payments falling due during 1924 were promptly met, and no new debentures were issued. Sixty eight of the municipalities were able to carry on the business undertakings of the year without borrowing in any way. Of the 101 which borrowed, all but 29 repaid in full their borrowings for municipal purposes for the year. The unpaid loans of the 29 districts total $127,519 which is an average of $4,397 for all those districts which carried over loans into 1925. Twenty-five municipal districts which collect school taxes did not repay in full the borrowings for school purposes. the amount unpaid at the end of the year being $131 916. All the other municipal districts were in a position to meet their current obligations before the end of the year. Of the 13 municipal districts which are in the drought area, only 13 per cent. of the total arrears and current taxes were collected last year, the collections being equal to 56 per cent. of the current levy. Of a total of $3,575,447 of debentures issued by municipalities during the year, cities issued $3,543,447, towns $22,500, villages $9,500 and municipal districts none. Of this amount, re-bonding issues were $3,569,093 so that new issues amounted to only $6,353.

Sinking Funds Short

A rather disappointing feature of the report of the Department of Municipal Affairs is the shortage which exists in the case of the sinking funds of virtually all of the cities. In no case is there a surplus. Four cities have a material deficit in their sinking funds, while two have no sinking fund account, which is the equivalent of a deficit. The total deficit from sinking fund requirements is in excess of $6,800,000. Calgary, with a specified sinking fund of $8,072.161, has a deficit of $3,161,288. Edmonton with a sinking fund specified. of $8,273,813 shows a shortage of $2,560,626. Lethbridge and Medicine Hat respectively show shortages of $555,809 and $562,-457, while Red Deer and Wetaskiwin have no sinking fund accounts.

Tenders and By-laws

TENDERS CALLED

Sept. 2, City of Joliette, P.Q.—$126,860, 5 per cent. serial bonds. A. L. Marsolais, Sec.-Treas.

Aug. 31.—Scholo Municipality of La Motte, P.G.—$5,000, 6 per cent. serial notes. Gaudias Belanger, Sec.-Treas.

Sept. 4.—Town of Beauport, P.Q.—$60,000, 5 per cent., 20-year term bonds. R. Belanger, Sec.-Treas.

Sept. 8. City of Hull, P.Q.—$142,000, 5 per cent. term debentures. H. Boulay, City Clerk.

Sept. 8. Village of Amos, P.Q.—$48,000, 5½ per cent. serial bonds. The Sec.-Treas. of Amos.

MOOSE JAW TAX COLLECTIONS

Some improvement has been made by Moose Jaw in the collection of taxes during the first half-year in comparison with that of last year. Following are the figures:

Taxes collected	1924	1925
Arrears	$ 48,833 58	$ 44,599.76
Current	443,012.20	459,910.27
Total	$ 491,845.78	$ 504,510.05
Tax levy	$1,145,244.00	$1,174,121.00
Percentage of current taxes col...	38.7%	39.1%

Moving to York County May Mean Double Taxes

A rather glaring case of tax duplication applies in the case of Toronto citizens moving out to the County of York, and it is probable that a similar situation applies in other parts of the country, where no reciprocal arrangement exists between two adjoining tax authorities.

During the year 1925 Toronto incomes are assessed on the earnings of 1924. The tax is payable in 1926 at what is known as the 1926 tax rate. But the County of York draws up its 1925 assessment on the basis of 1925 income, and taxes are paid on this in 1926, at the 1926 tax rate. A resident of the City of Toronto, if he moves to the county before the end of the year will be placed on the county assessment roll. In this way, he will be obliged to pay two income taxes, the city tax and the county tax, and he will have no redress, as has already been proven in the courts.

The same situation would apply to a resident of any city which has a municipal income tax, where a similar time arrangement applies. The only modification is that a city cannot sue outside the province in which it is situated, in such cases. It has recourse, however, if the party concerned ever returns to the province as a resident.

Our Trading Department

At all times we are prepared to submit satisfactory bids for the purchase, in odd lots, of Canadian Government, Municipal and high-grade Corporation Bonds.

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WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

MUNICIPAL

Place	Date	—Sold To—	Rate	Maturity	Amount	Price	Yield
Lanark County	Aug.	Matthews & Co.	5 & 5½%	Serial	$87,000	99.83	...
Etobicoke Township	Aug.	C. H. Burgess & Co.	5%	Serial	69,500	99.46	...
Granby, Que.	Aug.	Hanson Bros.	5%	Serial	250,000	99.315	...

Insurance for Buyer and Seller

Alex. McFadyen Runs a Farm and Breaks Insurance Records

Cameron, Ontario, Agent For Great West Life, Signed 234 Applications in One Month—Sells Much Protection to Farmers

By E. H. McKINNEY.

THE past two years have been marked by a series of new high records in selling life insurance in Canada and the United States. Yet it has remained for Alex. McFadyen—a farmer still living on the farm on which he was born — to break all monthly records for applications and demonstrate conclusively to the insurance world that big opportunities for success lie in the rural districts as well as in the cities. His proof consists of a production in June for his company, the Great West Life, of 234 completed applications for a total of $241,320 of business. This average of nine applications for each working day exceeds all previous records and entitles Mr. McFadyen to the Great West Life "Application Cup," formerly held by J. P. Williams, of Picton.

Forty-seven years ago McFadyen was born on the farm, which is still his home, ten miles north west of Lindsay, in the beautiful Kawartha Lake district of Victoria County. Whether the Scotch parentage of McFadyen and others in the district was responsible for the early appreciation of insurance and the extensive growth of fraternal societies there, is a matter of conjecture. That such an appreciation existed is well known and its results may be found in the succession of outstanding insurance underwriters, who have come from the district. Among them are such men as P. A. Ferguson, Ottawa manager of the Dominion Life, Campbell, Manufacturers' Life manager at Peterboro, and Bob Campbell with the same company's Detroit office.

Active in Fraternals

Until twelve years ago McFadyen devoted his time to farming and, but for a chance exhibition of innate sales ability and the thoughtfulness of his wife, he might have remained a farmer to this day. It happened this way. The Independent Order of Foresters had developed a big local court. McFadyen had taken an active interest in the work of the lodge. When an organizer from the head office came to the district, frequently McFadyen was chosen to go with him in search of new members. On one occasion he was loath to leave the work of harvesting his grain but the promise of a new watch if they secured 12 members induced him to go. Fourteen members were secured—an abundant proof of his ability.

About this time the officials of the Foresters realized that the old rates were not sufficient and courageously decided on a readjustment to a higher basis. However, the commendation they have since received for this action was not in evidence at the time. In fact, a storm of protest arose and members began to drop out by the score. McFadyen was one of these. He consulted with P. A. Ferguson, then representing the Great West Life at Lindsay, who tried to interest him in a policy. He refused but soon reversed his decision. Ferguson at once perceived the possibilities in McFadyen's ability and connections. Consequently with the policy he sent a rate book to the farm. In a few days a neighbor chanced to tell McFadyen of his decision to replace a fraternal policy with one in a legal reserve company. In this McFadyen concurred, but it was his wife who persuaded him to secure the application for himself—the first of nearly 1,500 secured during the past twelve years. The next day, in overalls and shirt sleeves, he went to see some hogs he intended to buy. He secured an application for $1,000 from the owner of the hogs and a similar one from the ploughman. The receipt of the three applications at the Lindsay office brought Ferguson to the farm in a hurry and seven applications were secured the following day. Since then Alex. McFadyen has been sending applications regularly to the Great West Life—for two years as part time man and for the last ten years as manager for Victoria and Haliburton counties.

In September, 1914, Mr. McFadyen started selling insurance but only a part time basis. He had a fairly good year and in the spring of 1915 went into insurance on a full time basis. For a new man he did very satisfactorily and in October, 1915, changed over to the Great West Life Assurance Company with which company he has since been associated.

His First Hard Winter

Business conditions began to change about that time and during the hard winter of 1915 to 1916, Mr. McFadyen ran up against the toughest selling of his career. He nearly gave up the insurance business for good.

He says, "I will never forget the winter of 1916. In the months of January and February I drove 28 days with the temperature from 10 to 20 degrees below zero and I only saw one man sign his name to an application. I had to buy a horse from him and pay him the difference between his premium and what I thought the horse was worth to get that application. I had two men working for me on the farm and believe me it was not a nice feeling to know that I was spending money which was very hard to get and getting no return.

"When I would come home my wife would ask me how I was getting along and I would have to tell her that I was selling absolutely nothing. She wanted me to stop and start over again on the farm, but I determined that the secret of success in this business was to work, and that if a man worked he was bound to get the business.

One Glorious Day

"The turning point did not come till March of 1916. I had a letter from a chap to whom I had sold a policy on the train in the fall of 1915. He wanted me to come and see his two brothers as he thought they would buy some insurance from me. This was the most welcome letter I ever got. I drove out to see those prospects and I sold insurance to both of them, as well as to another brother and a brother-in-law. I thought that that was the most wonderful thing that could ever happen to me. Coming home to tell the good news to my wife. I sold another man a $5,000 policy and since that time I have never had any difficulty getting my share of the business.

"The first year I was with the Great West Life I made the $100,000 club and I have been a club member ever since. In 1920 I had $300,000 worth of business and have been in the $200,000 class quite often. This year up to the 11th of August I have sold about $350,000 worth of business. I am still living on the farm supervising it, and three years ago I bought another farm that my father had to sell 50 years ago.

A. McFADYEN

Being a Farmer Helps

"Supervising the work on the farm does interfere with my insurance work to some extent, but at the same time it has been a great help to me in another way. Being a farmer myself is one reason why I get so much business with the farmers."

Producing a large volume of business and winning prizes is not a new experience for McFadyen. He has been a member of the Great West Life $100,000 Club every year since it started, his largest yearly production being $315,000 in 1920. That this is specially large is emphasized by the fact that his average policy is for $2,000. In a competition for three months as far back as 1918 he wrote 97 applications for $114,000 of business. Again in 1923 he secured 77 applications for $97,000 in 60 days.

Laid Careful Plans

In the record-smashing June campaign his success may be attributed as much to careful planning as to hard work. During the last week of May he sent out between 4,000 and 5,000 circulars to residents of the district explaining his campaign to make a record and containing his picture. During the campaign he advertised regularly in three weekly papers and in one daily paper three times a week. By this means scores of prospects were prepared to talk business the minute he arrived on the farm. In one case a policy holder told him of a prospect. When he arrived at the farm the latter was in bed, but he was so enthusiastic about the campaign that he got out of bed to sign the application. Interest was also centered in the campaign by a clock erected in front of his office. Each night at nine o'clock the waiting crowds saw the day's results recorded by the clock.

A criticism frequently made of such campaigns is that many promises of applications are secured before starting time, giving the salesman an unfair advantage. Those who know the circumstances are careful to point out that this criticism cannot be applied to McFadyen's record, as no understandings of this sort were arrived at before June. In fact most of the preceding week was spent in other activities not at all connected with his business. The final total of 23 applications was made up almost entirely of those on the non-medical plan and 97 per cent. were accepted by the company. This indicates that the business written was first class, as the company's records show all of McFadyen's applications have been.

Insures Whole Family

As a result of consistent effort for ten years, McFadyen has nearly 1,400 policyholders in his territory. More important, possibly in view of the present tendency to let policies lapse, is the fact that very few policies once placed by McFadyen have been dropped. This has built for him valuable goodwill in the community, so that to-day 65 per cent. of his new applications are secured from policyholders and friends. In scores of cases his plan has been to build a monument of protection around an entire family. Hence, in one case, he has nine policies on the members of one family. As a result of this plan many women are numbered among his policyholders.

Being a farmer with a farmer's viewpoint on many phases of life, it is natural that the larger part of his business is written on the lives of farmers and their families. He points out the great change in the attitude of the public and farmers in particular since he started twelve years ago, when a $1,000 policy was the rule. He now has some farmer policyholders with ten, twelve and even fifteen thousand dollars of insurance, although the average is still around $2,000.

Has Few Lapses

What is most noticeable about McFadyen's business is the extraordinary high renewal rate. Recently this was the subject of a letter of congratulation from the head office of the company. There is reason to believe that this is due to his practice of selling small policies. There have been times when he has been urged to sell larger policies to certain men, but he has steadfastly refused to sell a prospect more insurance than he believes he can reasonably pay for year by year. He reaps his reward for this in being able to go back later and place additional policies as the prospect's position improves.

A singular fact also is the small lapse rate through death claims on his business. In ten years his total death claims have been $13,000. It will be four years in September since he started to sell policies without medical examination, about which he is enthusiastic, and he has not had a single claim under this class.

Knows Farmers' Problems

Behind McFadyen's success lies first of all a capacity for hard work which he attained in his early days as a farmer. To this he has added an earnestness born of his own conviction of the value of insurance. His knowledge of farming and farm problems enables him to discuss his prospects' affairs intelligently and fit his policies to their needs. When he started to sell, he had to combat a tendency to approach the poorer men in the community. Experience soon taught him that the leaders and successful men carried big burdens, calling for protection, that they were most ready to listen to his suggestions and that they were in a financial position to pay for policies.

While it is evident that the best city men have opportunities of placing big policies, McFadyen has proven conclusively that big opportunities await the rural underwriter. With an appreciation of the problems of those around him, he is in a position to live in close contact with his prospects and build up a growing body of policyholders and friends, which insure him a large and increasing volume of business for future years.

Announces Staff Changes Metropolitan Life Company

The announcement is made by the Metropolitan of the following changes:

J. Elie Aumais, manager at Lachine, Quebec, has been transferred to Outremont, Montreal, to succeed late Manager Saucier; C. E. Lavergne, assistant manager at Mont Royal, P.Q., has been promoted manager at Lachine.

The Record of Fire Losses in Canada

Place — Property	Date	Loss	Insurance	Cause
NOVA SCOTIA				
Berwick—C. Lloyd, res.	Aug. 13	Total	Small	def. wiring
NEW BRUNSWICK				
Richibucto—F. Votour, barn	Aug. 10	$1,200	None	Lightning
QUEBEC				
Quebec—N. L'Esperance, barn	Aug. 19	Total	......	......
Pt. St. Charles—Can. Nat. Rly. Shops	Aug. 19	Heavy	......	Unknown
Montreal—P. et N. Assaly, res.	Aug. 14	$4,000	Covered	......
Chambly Bassin—J. Boule, barns	Aug. 14	$10,000	Partial	......
Dorval—H. Black, res.	Aug. 13	Considerable	......	Unknown
Quebec—M. G. Evin, res.; Cohen & Kitty, res.	Aug. 14	$8,000	......	Unknown
Quebec Brass & Iron Fdy.	Aug. 7	Heavy	......	Unknown
Montreal—12 houses	Aug. 17	Total	......	Unknown
Thetford Mines—P. Ferland, res.	Aug. 13	Considerable	Partial	......
Magog—M. Jenckes, res.	Aug. 12	Considerable	......	Unknown
Inverness—A. King, forge and res.	Aug. 11	Total	......	Unknown
St. Odilon de Dorchester—D. Pouliot, res.	Aug. 18	Total	None	......
Montreal—Z. Goldberg, garage and barn	Aug. 16	Total	......	Unknown
St. Germain—8 houses and 5 barns	Aug. 17	$100,000	......	......
Kingscroft—C. Thompson, barn	Aug. 17	Total	Partial	Unknown
Sherbrooke—Wet Wash Laundry	Aug. 18	Total	......	Unknown
Roberval—L. H. Brassard, res.	Aug.	$5000	......	Unknown
—M. Gagne, res.	Aug.	$2,500	......	Unknown
ONTARIO				
St. Jacobs—O. J. Smith, shoe factory	Aug. 17	$12,000	Partial	Rubber cem't
Mitchell—W. Stoneman, barn	Aug. 13	Heavy	......	Spon. Comb.
Sioux Lookout—W. Morrison, res.	Aug. 6	Considerable	Partial	......
King's Wharf—M. O'Neil, barn & contents	Aug. 12	Total	......	......
Niagara Falls—Wallace Bros.	Aug. 14	Heavy	......	......
Devlin—C. W. Hughes, barn & contents	Aug. 6	Heavy	$600	......
Grand Bend—A. J. Walker, res.	Aug. 20	Total	......	Gasoline exp.
Chatham—A. B. Craft, stable & bldgs.	Aug. 17	$2,000	......	Unknown
Toronto—S. R. Hughes Planing Co. bldg.	Aug. 18	$20,000	......	......
Windsor—Devonshire barn & horse	Aug. 16	$2,500	......	Unknown
Bobcaygeon—W. Bailey, res.	Aug. 18	Total	......	Unknown
Beverley Tp.—R. Zimmerman, barn	Aug. 17	Total	......	......
Toronto—J. Acquanno, garage	Aug. 17	Total	......	Unknown
Whitby—L. L. Guy, barn and crop	Aug. 17	$10,000	Partial	Unknown
Myrtle Station—C. Harrison, barn and contents	Aug. 17	Total	......	Unknown
Listowel—McMillan, garage and car	Aug. 15	Total	......	......
Amabel Tp.—A. Carson, res. and contents	Aug. 17	Heavy	Partial	Unknown
Burford Tp.—M. Southwick, barn	Aug. 18	$11,000	......	Lantern
Hawkestone—R. W. Reid & Son	Aug. 20	$15,000	......	Unknown
Bobcaygeon—W. G. Griffin, res.	Aug. 17	Total	Small	......
Harrietsville—G. Hodgins, barn & crop	Aug. 18	$10,000	Partial	Lantern
Murray Tp.—S. Hendricks, barn & crop	Aug. 19	Heavy	Partial	Spon. Comb.
Sidney Tp.—F. Wrightyby, barn & crop	Aug. 19	Heavy	Partial	......
Ottawa—C. Kallas, store	Aug. 17	$8,000	......	......
Kinburn—H. Shaw, barn & bldgs.	Aug. 18	Total	......	Lightning
North Bay—W. A. Arbuckle, res.	Aug. 21	Considerable	......	......
Niagara Falls—Siegel Block	Aug. 21	$10,000	Covered	Unknown
" —G. Henry, store	Aug. 21	$7,000	Covered	Unknown
Charlton—F. Catt, barn	Aug. 19	$4,000	......	Spon. Comb.
MANITOBA				
Boissevain—Boissevain Mill	Aug. 12	Total	......	......
Carberry—S. E. Burch, barn	Aug. 14	$5,000	Partial	Unknown
SASKATCHEWAN				
Burdick—G. C. Offen, res.	Aug. 8	Total	......	Unknown
ALBERTA				
Youngstown—G. Hughes, barn & sheds	Aug. 9	$1,000	Partial	......
MacLeod—Mrs. Phillips, res.	Aug. 14	$3,000	None	Unknown
Peace River—C. P. Wilbur and J. C. McDougall, houses	Aug. 21	Total	......	Unknown
Hilda—L. Lippert, res. and post office	Aug. 17	Total	Partial	Unknown
BRITISH COLUMBIA				
New Westminster—Civic Market bldg.	Aug. 11	$50,000	Partial	Unknown
New Westminster—Mrs. Sherbouet, store	Aug. 11	Total	$4,000	......
Newton—G. Rockwell, sawmill	Aug. 9	Total	......	......
Slocan City—P. B. Hall, ranch	Aug. 13	Total	......	......
Victoria—B. C. Electric Rly. Co. and Al. Fielding, bldgs.	Aug. 14	$17,000	......	......
Ashcroft—H. L. G. Austin, res.	Aug. 13	Considerable	Covered	......

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TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
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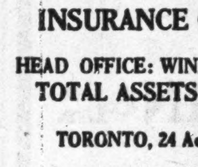

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"BRIDGE'S" NEW ORDERS STIMULATE MARKET INTEREST

Many New Contracts Gained or Are Now Pending

From Our Own Correspondent

MONTREAL. — The Dominion Company has received attention lately from investors who believe that the company will obtain substantial contracts in connection with the new South Shore Bridge which is shortly to be erected at Montreal. There are other factors which have contributed to the optimism which is prevailing with regard to this stock. For instance, the company has received a substantial order from the Aluminum Company in connection with the concern's big development on the Saguenay River.

It is more than possible, too, that there may be further orders coming from this source. Again, there is expected a large order from one of the paper companies. There are many forecasts being made which would indicate that "Bridge" may get somewhere close to capacity production at its plants; these forecasts are based on conclusions with regard to the development of Canada in the next few years which indicate a hope for a continued succession of orders.

Shareholders Won't Sell

That shareholders are not ready to part with their holdings at anything in the nature of sacrifice price was indicated when apparently responsible interests endeavored a short time ago to obtain control of the company at $80 a share although the stock was at that time selling at a little over $70 a share. True it is, the interests offered an option only at that price but the fact that practically no support was forthcoming to the project from the shareholders seems to indicate that they are ready to wait for busier and brighter days for "Bridge."

At that time the directors opposed acceptance of the offer and pointed out that the book value of the company's shares was $150 per share and the surplus of liquid assets itself totalled $63 a share.

Will Dominion Bridge stock come back to its former levels? That question is being asked by investors.

A Large Industry

Here is one of Canada's greatest industrial corporations, a concern that has to its credit such achievements as the world's greatest bridge; the steel work of the Empire's largest building, the world's fastest paper machines, and the world's largest paper machines. It is a company that has earned as much as thirty-five per cent. on its stock in a single year, and that has paid dividends on its stock as high as 20 per cent. Its shares have sold almost up to $250 a share.

The company also controls the Dominion Engineering Works, which specializes in the manufacture of products closely related to two of Canada's basic industries, the pulp and paper industry, and the water power development. At another subsidiary, the Robb Engineering works in Nova Scotia, boilers are manufactured.

The last annual statement issued showed that the company's current assets amounted to $4,946,187, with only $806,240 of current liabilities, leaving the substantial sum of $4,139,947 for working capital.

The company's plants, machinery, etc., after heavy write-offs for depreciation, stand at $4,656,502, while the investment account is shown at $1,414,712. It has no funded debt, although there is outstanding an amount of $1,500 of bonds of its subsidiary, the National Bridge Company, the balance of the issue being owned by the parent company. There is no preferred stock and only $6,500,000 of common outstanding.

There is prospect now of considerable improvement. Bridge now has some worth-while orders on hand. The plants are busier to-day than they were a year ago. Officials are reticent on the subject of forecasting the future, but are believed to be extremely optimistic.

Canada Continues to Pile Up New Life Records

Canadian purchases of ordinary life insurance reached a fine total in July according to a report published by the Life Insurance Sales Research Bureau of Hartford, Connecticut. During that month, $37,600,000 of new business was delivered and paid for by the companies whose records were included, which means that July 1925 was 13 per cent. ahead of July 1924.

Practically the whole Dominion showed improved conditions and such distant provinces as Alberta and Ontario showed gains of 30 per cent. and 16 per cent. respectively.

Improving business conditions in the West were reflected by the records of British Columbia with a gain of 2 per cent., Manitoba with a gain of 12 per cent. and the Alberta record of 30 per cent. gain.

In the east, Newfoundland and Prince Edward Island led with gains of 50 per cent. and 55 per cent. respectively, followed by Quebec with 16 per cent. gain.

Among the cities, improvement was most noticeable in Quebec with a gain of 53 per cent., Hamilton with a gain of 26 per cent., and Toronto with a gain of 23 per cent. Montreal and Vancouver followed closely, with gains of 10 per cent. and 8 per cent.

The seven months of 1925 have now reached a point where the records show a gain of 7 per cent. over the corresponding months of 1924. Conditions are distinctly improving throughout the Dominion, with very few exceptions.

Better Fire Protection Brings Towns Reduction in Rates

The Western Canada Fire Underwriters' Association has recently reduced the rates in Shellbrook, Sask., and Eastend, Sask., 5 per cent and 6 per cent. respectively.

The citizens of these towns had the foresight to realize that they required better fire protection, and not only have they improved their towns as fire risks, but they have benefited financially through the reduction in rates.

"This bears out our oft repeated statement that the individual's rate is in his own hands." says the organ of the Western Insurance Club. "He can find out through his agents from the Western Canada Fire Underwriters' Association exactly how his rate is made up and see the charges which are made for the defects in his building or the absence of fire protection, and, by remedying these defects, he can bring his rate down to the lowest possible figure.

"The services of the Underwriters' Association are gratis and the wise man consults them before building or making additions to his present buildings, so that he may have the benefit of their advice, and secure the lowest possible insurance rate."

Meaning of Term "Assets In Excess of Liabilities"

There is a certain misunderstanding about the oft repeated phrase of a number of the financial papers, that a "certain fire insurance company is regularly licensed to do business in Canada, maintaining assets in this country in excess of its liabilities, and for this reason we consider it safe for insurance." This statement means that the company in question has book assets in excess of its book liabilities and does not mean that it has assets in the country in excess of the liability assumed by it in its policies. Picking a company at random from the government blue book of 1924, we find a statement of net admitted assets in Canada of $628,244; against this is total liabilities in Canada of $310,771, or showing an excess of assets over liabilities in Canada of $318,473. In other words, this company maintains book assets in excess of its book liabilities, puts its actual liabilities, are $34,299,828, which is the amount of insurance in force under its policies issued in Canada.

This explanation is published by the organ of the Western Insurance Club in response to numerous requests.

RED DIRTY WORK IN MEXICO HITS OUR INVESTMENTS

Government Using Funds to Bribe Bandits to Stop Activities

In recent reports on Mexico Light and Power and Mexican Tramways, reference was made to the rather unsatisfactory situation which has existed for some time as a result of the government's attitude towards labor. The government has supported the extravagant demands of labor, to the detriment of the company.

It is understood that the situation is much worse than the veiled reference in the reports would lead to believe. Discussions of Mexican conditions in the United States support this belief. There have been indications that Bolshevism is becoming rampant. The United States government is now being urged to adopt dictatorial methods in dealing with Mexico. Dr. G. A. Sherwill, Inter-American high commission, recently presented some facts which it was intimated were gleaned from J. N. Puig Casaurane, secretary of public instruction, Mexico City. The picture presented is not promising. He says the last Mexican revolt perverted to a considerable extent the moral sense of the country. Bandits have openly prospered and have been rewarded or bribed to stop their activities, mobs have held sway and agrarian and labor movements have taken a dangerous direction. To bring order out of chaos it is necessary to use dictatorial methods without forgetting that the purpose of any dictatorship at present would be only to pave the way for democracy. It would have as its immediate object the task of directing the agrarian and labor movements into constructive channels and checking self-appointed generals and grafters who have infested the country. Calles must rise above the prsonal interests of some of his followers and guarantee the reign of law.

"The solution of the agrarian and labor problems will be the salvation of Mexico. If Calles fails to solve them, Mexico will suffer for generations yet to come and Calles will sink into oblivion. The present methods of the agrarians are misguided. If their mistakes are not corrected, the agrarian policy will be a failure."

Several Mexican companies, controlled in Canada, hold large claims against the Mexican government arising out of the last revolt. It is evident that the government funds, instead of being used to pay these, are going to appease the demands of bandits who threaten the government's position.

POST-Scripts

A TORONTO trust company has been meeting with some success in an office rental experiment introduced some months ago. Small offices are rented on one floor of its building. A stenographer and a telephone operator are provided for the tenants. Insurance brokers, salesmen, and others requiring small offices, but not able to afford a staff, are able to rent offices equipped with stenographic and telephone service. This is borrowing an idea from medicine. Toronto, Montreal, and other cities, have professional office buildings where stenographers, telephone operators and nurses serve many masters.

OLIVER GOLDSMITH would find material in Canada to work on. Along the shores of Lake Ontario there is an ancient wooden pier where the waves have washed through and are rapidly dismantling what was once a busy bit of wharfage. It is many decades since a boat tied up at the dock. Nearby summer cottagers run across other evidences of a former prosperity occasionally when they find a grassy hole that once was the cellar of a home. One of these cottagers is to-day building a fireplace from the stone foundation of an old mill. The spot was once the site of the flourishing lake port of Bond Head, whence many a cargo of barley was shipped for American posts across the lake. The McKinley tariff, the removal of the only nearby industry, the Massey-Harris Company, and the—to the town—unfortunate routing of the railways, have done their worst, and there is not even the ghost of a town left, although close at hand the village of Newcastle maintains a pretty front and a few old families.

THE brief-case has at last found a supporter in a writer who declares that those who ridicule it are not aware that this humble instrument of industry is conferring physical benefits on those who tote it, is, in a way, an outdoor gymnasium in which the business-man, willy nilly, takes exercise. That such is the fact was illustrated in a luncheon club the other day when two members, at first in a spirit of fun and then with intense earnestness, tested the strength of each other's grip in the fashion that was popular on the flat surface of the bar in the days when the cry "draw one" was still heard in the land.

Standing sidewise at a table and resting their gripped hands upright on it, each tried by combined strength of fingers, wrist and forearm to lay the other's hand flat on its back on the table. Bets were on the six-footer, big of wrist and thick of fingers. The five-footer, of slender wrist and fingers, seemed not to have a chance.

But he smiled and made no effort, apparently, while the other put forth all his strength without avail. The little chap's hand remained upright. Then he began to exert the pressure of his muscles, and slowly but nevertheless surely the big fellow's hand went over. In a trice it was flat.

Some wonderment was expressed at his victory. "I lug a brief-case around all day," he explained.

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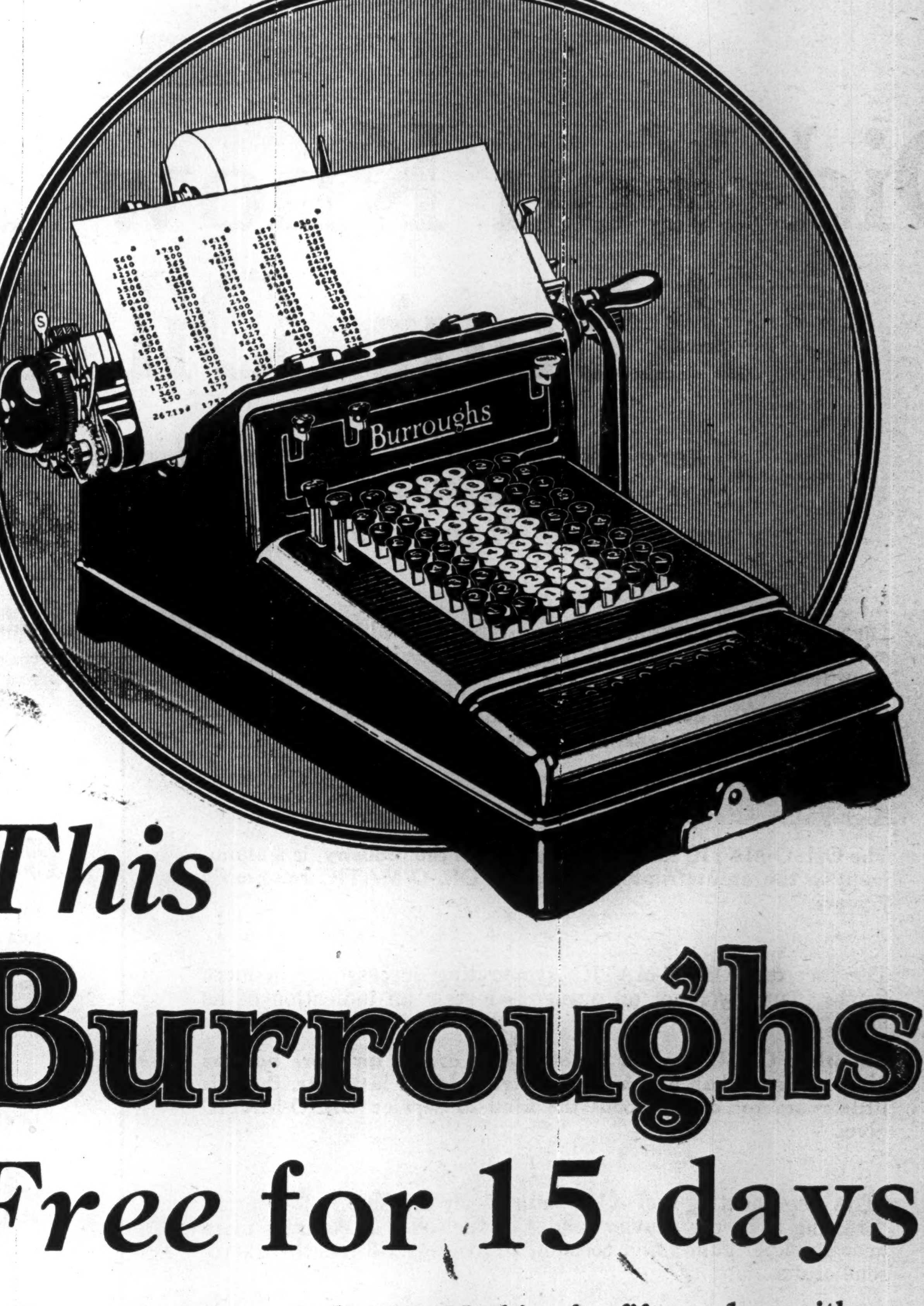

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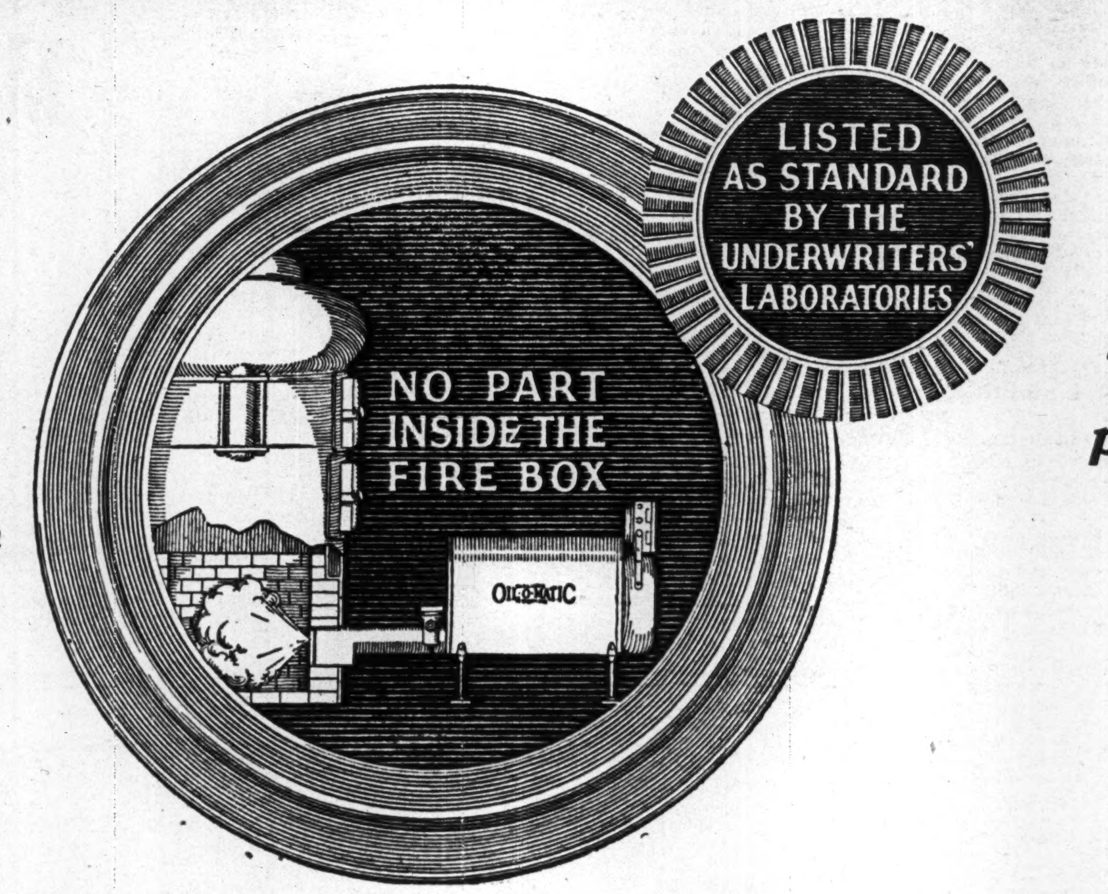

The Oil-O-Matic display at the Exhibition will interest you

Did You Know These Things About Oil Heating?

There are not more than three oil burners out of all those on the market that you can possibly be considering. These three all sell for about the same price. If there is any doubt in your mind which to choose, read the facts below.

The more capital a manufacturer has, the better able he is to build in volume and to give you the benefit of his savings in better quality or lower price.

OIL-O-MATIC is made by a million-dollar oil burner institution—by many times the largest in the world.

* * *

Highly successful products are made by successful concerns.

The OIL-O-MATIC factory, the largest in the industry, is a monument to the uninterrupted success of OIL-O-MATIC for nearly 7 years.

* * *

The fact that OIL-O-MATIC is operating successfully in more homes than any other oil burner is merely an indication of its merit.

But when OIL-O-MATIC dealers place orders for more burners in 65 minutes than any other concern sold all last year, there is little room for doubt about the kind of service OIL-O-MATIC gives.

* * *

"The house heating fuel of the future," say the Empire Refineries, "is going to be the heavier grades of fuel oil." It contains more heat units per gallon and costs on an average 1-3 less than kerosene or distillate.

The Underwriters' Laboratories, after exhaustive tests, proved that OIL-O-MATIC could use fuel oil as low as 28 degrees equally as well as any of the lighter grades. Thousands of OIL-O-MATIC owners are using fuel oil and saving as high as 25% over burners restricted to more expensive oils.

There are four natural laws of oil combustion, each as hard and fast as the law of gravitation. No oil burner can ever be made to work right if its principle is wrong.

OIL-O-MATIC was the first automatic oil burner built to operate according to these fundamental principles.

* * *

Continuous pilot lights, drip bucket shut-offs, pots inside the firebox, and crank handles on automobiles are all in the same class.

OIL-O-MATIC eliminated the needless waste of the pilot light 6 years ago. No part is inside the firebox to burn out. It is the only oil burner with the Williams Thermal Safety Control that makes the whole burner a single unit. Nothing can work unless everything is working right.

* * *

"No oil burner is any better than its installation," says E. J. Smith, of the Underwriters' Laboratories.

OIL-O-MATIC maintains the Williams Institute of Heat Research, the largest oil burning school. Over 1500 dealers, service and installation men have graduated from this national institution.

* * *

Once people learn what oil heat means, they never go back to coal even if they have to replace their burner with a better one.

As many OIL-O-MATICS are being bought to replace other burners as the total sales of many oil burner companies.

Oil-O-Matic Dealers in Ontario

ARNPRIOR—D. C. O'Grady.
BELLEVILLE—Howe & Hagerman.
BRANTFORD—Kelvinator Brantford Company.
BEAMSVILLE—A. J. Byles.
BROCKVILLE—R. H. Smart Limited.
BURLINGTON—Goodram Bros.
COCHRANE—McAlindon & McCormick.
FORT WILLIAM—Plumbing & Engineering Supply Co., Ltd.
GUELPH—Jack Richardson Plumbing & Heating Co.
HAMILTON—Oil-O-Matic Heating Company, Lister Bldg.
HAILEYBURY—F. R. Gibson.
HANOVER—W. J. Sarvis.
KITCHENER—Sheehy Bros., 136 Ontario Street South.
KINGSTON—Stewart M. Robertson, 136 Ontario Street South.
KENORA—Lindstrom & Nilson.
LONDON—Benson-Wilcox Elec. Co., Dundas St.
NORTH BAY—J. M. MacPherson.
NIAGARA FALLS—Park Whistler, 29 Barker St.
OTTAWA—Milton E. Rous, Jackson Bldg.
OAKVILLE—Geo. W. Barrett, Box 623.
PARIS—Cunningham & Co.
PETERBORO—W. R. Turner, Simcoe St.
PEMBROKE—Dunlop & Co., Ltd.
PERTH—Walter Boston.
PORT HOPE—F. B. Robinson.
PORT ARTHUR—Plumbing & Engineering Supply Co.
PRESTON—P. Atkinson.
RENFREW—John Conley & Co.
SMITHS FALLS—H. Hagen & Co.
STRATFORD—Peter & Sylvester.
SUDBURY—Kutchaw Plumbing & Htg. Co.
SAULT STE. MARIE—Flockhart Bros., Queen St.
TORONTO—H. R. Foreman & Co. Ltd., 75 King St. W.
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